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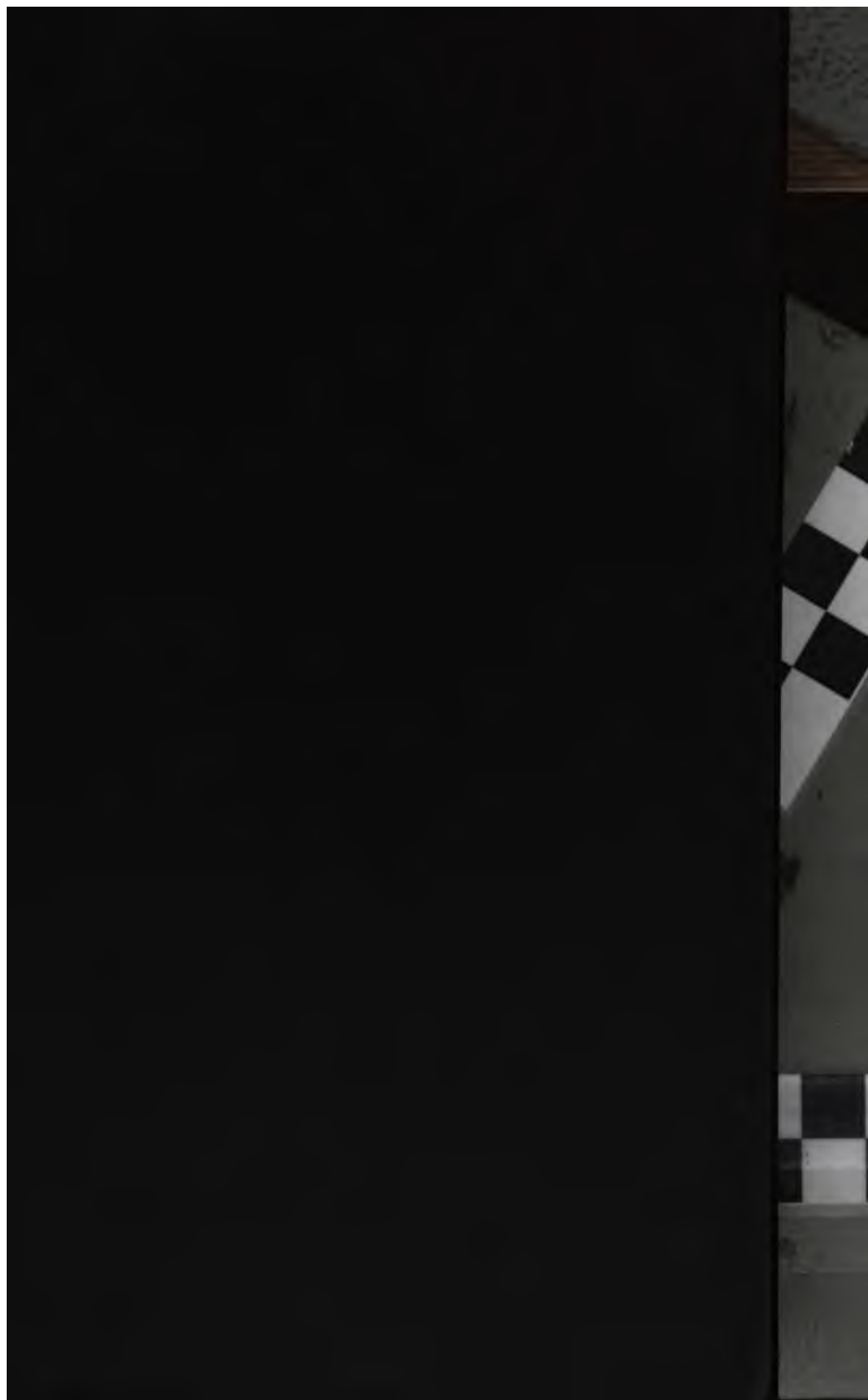
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THE  
**MERCHANTS' MAGAZINE**

AND  
  
**COMMERCIAL REVIEW.**

---

EDITED BY  
**WILLIAM B. DANA.**

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**VOLUME FIFTY-SEVEN,**  
**FROM JULY TO DECEMBER, INCLUSIVE, 1867.**



**New York:**  
**WILLIAM B. DANA, PUBLISHER AND PROPRIETOR.**  
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# ALPHABETICAL INDEX

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VOLUME LVII.

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EDITED BY WM. B. DANA.

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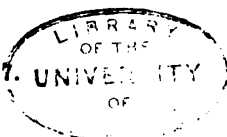
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# THE MERCHANTS' MAGAZINE

AND

## COMMERCIAL REVIEW.

JULY, 1867.



### CENSUS OF RHODE ISLAND, 1865.\*

By the settlement of the boundary question with Massachusetts in 1862, the profit and loss to Rhode Island in territory and population was as follows :

In Pawtucket, Rhode Island gained.....	6.939 miles and 4,300 inhabitants.
In East Providence " " .....	12.5 " " 1,700 "
Total gain .....	19.4 miles and 5,900 inhabitants.
In Fall River, Rhode Island lost.....	11.12 " " 8,577 "
Net gain to Rhode Island.....	8.2 miles and 2,523 inhabitants.

It need scarcely be repeated that Rhode Island, the smallest State in the Union, is only 50 miles long and 35 miles in width, and that a large portion of this width is taken up by the waters of Narragansett Bay, which, extending inland for some 30 miles, divides the state into two unequal parts, leaving a land territory of only 1,054.6 square miles, with a shore washed by tide-water of 350 miles.

#### I. PERSONAL CENSUS.

The State is divided into five counties, and these contain thirty-three townships, five of which are situated on islands. The smallest town

\* Report upon the census of Rhode Island, 1865 : with statistics of the population, agriculture, fisheries and manufactures of the State prepared under the direction of the Secretary of State, by Edwin M. Snow, M. D. Superintendent of the census. 1 vol. 800 p. 112.

(Warren) has only 4.7 square miles, the largest (South Kingstown) has 77.9 square miles. Below we give a table showing the area and population of the State by towns and counties:

		Square miles.	Pop. square miles.			Square miles.	Pop. square miles.
Barrington,	Bristol Co.	9.8	1,028	110.5	Burrillville,	53.2	4,861
Bristol,		10.3	4,649	451.3	Cranston,	33.7	2,177
Warren,		4.7	2,792	594.0	Cumberland,	33.6	3,316
Coventry,	Kent Co.	53.6	3,995	63.2	East Prov.,	12.5	2,172
East Greenwich,		17.1	2,400	140.3	Foster,	43.8	1,873
W. Greenwich,		49.1	1,223	25.0	Glocester,	53.2	2,236
Warwick,		44.2	7,696	174.1	Johnston,	24.1	3,435
Jamestown,	Newport County.	9.5	349	36.7	North Providence,	15.0	14,553
Little Compton,		21.4	1,197	55.9	Pawtucket,	6.9	5,000
Middletown,		12.5	1,019	81.5	Scituate,	53.3	3,526
Newport,		7.0	12,688	1812.6	Smithfield,	73.3	12,315
New Shoreham,	Providence Co.	10.5	1,308	124.5	Charlestown,	39.8	1,134
Portsmouth,		23.4	2,153	92.0	Exeter,	54.0	1,498
Tiverton,		31.8	1,973	62.0	Hopkinton,	43.6	2,512
Providence City,		6.7	54,595	8148.5	North Kingstown,	42.6	3,166
					South Kingstown,	77.9	4,513
					Richmond,	38.9	1,880
					Westerly,	31.1	3,815

The area and population by counties is as follows:

Counties.	Area, square miles.	Pop.	Pop. to sq. miles.
Bristol.....	24.3	3,469	343.5
Kent.....	169.0	15,319	90.6
Newport.....	116.1	20,687	128.2
Providence (including city).....	413.3	123,022	295.2
Washington.....	331.9	18,468	55.6
Total of State.....	1,054.6	184,965	175.4

The density of population in Rhode Island (175.4 to the square mile) is higher than in any other of the United States. In 1865 the population of Massachusetts was 1,267,239, which gives 162.4 to the square mile. In the same year New York had 81.5, and New Jersey 92.9, to the square mile; but between these and Massachusetts, Connecticut has about 110 to the square mile, finds its position. The density of population in France is about the same as in Rhode Island. Prussia, Bavaria, Austria, Denmark, Scotland, Sweden and Norway are less densely populated.

The distribution of the population of course varies the density. The cities of Providence and Newport and the six towns, Bristol, Warren, Cranston, Cumberland, North Providence and Pawtucket containing only 117.9 square miles, but a population of 111,670 persons—11 per cent of the area, and 60 per cent. of the population of the State. If we deduct these from the total area and population, we find in the remainder of the State 936.7 square miles, with 73,295 inhabitants, or only 78 persons to each square mile. The seats of manufactures and commerce are denoted by their superior density.

The progress of the State in population is given in the following table:

Census of	Population.	Change.	Census of	Population.	Change.
1708.....	7,181		1800.....	69,123 + (10 years)	297
1730.....	17,985 + (22 years)	10,754	1810.....	77,031 + ( " )	7,909
1748.....	32,773 + (18 years)	14,888	1820.....	83,659 + ( " )	6,628
1765.....	40,414 + ( " )	7,641	1830.....	97,210 + ( " )	14,151
1774.....	59,707 + (19 years)	19,293	1840.....	108,580 + ( " )	11,630
1776.....	55,011 + ( " )	4,696	1850.....	147,545 + ( " )	38,715
1783.....	52,347 + ( " )	2,664	1860.....	174,630 + ( " )	27,075
1790.....	63,325 + ( " )	16,478	1865.....	184,965 + (5 years)	10,345

The movement by counties during the present century has been as follows :

Counties.	1800.	1810.	1820.	1830.	1840.	1850.	1860.	1865.
Pristol.....	8,901	5,072	5,637	5,446	6,476	8,614	8,907	8,469
Kent.....	8,487	9,834	10,228	12,788	13,083	15,068	17,303	15,319
Newport.....	14,845	16,294	15,771	16,535	16,874	20,007	21,896	20,687
Providence.....	25,954	30,969	35,786	47,090	58,278	87,526	107,799	122,022
Washington.....	16,185	14,962	15,637	15,421	14,394	16,430	18,715	18,468

The progress of the cities of Providence and Newport and the six towns before selected has been as follows :

Cities, &c.	1800.	1810.	1820.	1830.	1840.	1850.	1860.	1865.
Providence.....	7,614	10,071	11,767	16,826	22,173	41,513	50,666	54,595
Newport.....	6,789	7,907	7,819	8,010	8,333	9,568	10,588	12,688
Bristol.....	1,678	2,693	3,197	3,034	3,490	4,616	5,271	4,649
Warren.....	1,473	1,775	1,808	1,800	2,437	3,102	2,636	2,792
Cranston.....	1,644	2,161	2,374	2,652	2,901	4,311	7,500	9,177
Umbagog.....	2,065	2,310	2,653	3,075	5,225	6,661	8,339	8,216
North Providence.	1,067	1,758	2,420	3,503	4,207	7,680	11,618	14,553
Pawtucket*.....	.....	.....	.....	.....	.....	.....	.....	5,000
Total.....	22,271	28,575	31,436	39,510	49,765	77,447	956,738	111,670

The rate of increase from census to census of the whole State and the two chief places, Providence and Newport, is shown in the following series of reductions :

	Whole State.	Cities—			Whole State.	Cities—	
		Provi- dence.	New- port.			Provi- dence.	New- port.
1790-1800.....	0.4	19.3	0.3	1830-40.....	12.0	37.6	4.0
1800-10.....	11.4	32.3	17.3	1840-50.....	35.6	79.1	14.8
1810-20.....	7.8	16.8	<i>dec.</i> 7.4	1850-60.....	18.8	23.0	9.9
1820-30.....	17.0	43.1	9.4	1860-65 (5 years)...	5.9	7.8	20.7

The increase in the cities from 1860 to 1865—in Providence 3,929, and in Newport 2,180, or together 6,109. The net increase in the towns above designated (not including Pawtucket) was 3,823. The total increase of the State was 10,345. Hence we find that nearly the whole increase has taken place within a very limited area. The agricultural parts of the State increase very slowly, and frequently retrograde. Washington County in 1790 had 18,075, and in 1865 18,468 inhabitants.

Among the facts deduced from the tabular statements accompanying the report the following are interesting.

There were 28,666 dwelling houses in the State 39,208 families, giving 1.4 families and 6.45 persons to each dwelling, and 4.72 persons to each family. In Providence there were 1.68 families and 8.06 persons to each house. There were 926 empty dwelling houses, of which 120 were in Newport, the census having been taken June 1, before the arrival of Summer visitors. Of the 28,666 dwelling houses in the State, 27,959 were constructed of wood, and only 432 of brick and 275 of stone. Even in Providence only 3.64 per cent. were of brick or stone.

More than one-half the colored population was found in Providence and Newport. The total number in the State was 4,087, being 135 more than in 1860, and forming 2.21 per cent. of the total population.

In regard to sex, there were in the State 8,439 more females than males. The proportion of the sexes were as follows :

White population.....	47:80	males, and	52:20	females in each 100.
Colored ".....	43:87	"	56:13	" "
White and colored.....	47:72	"	52:28	" "

\* Belonged to Massachusetts up to 1862.

Generally in New England there is, for obvious reasons, a large excess of females in the population, while in the newer States the opposite is true. In the whole country, in 1860, there was an excess of 730,000 males in a population of 31,000,000.

With regard to the nativity of the population the following facts are deduced. Of the 184,965 inhabitants of the State, 75,055 were born in the towns in which they resided, and 37,152 had migrated from the towns in which they were born to other towns in the State; the number of inhabitants born in the State and still living in it having been 112,207. Inhabitants born in other of the United States numbered 33,055, and those born in foreign countries 39,703. Every town in the State is represented in Providence, and nearly so in Newport. Natives of Newport are living in every other town except Glocester. There seems, however, to be no special law governing migration within the State, except the tendency of the population of the smaller towns and farming districts to cities and manufacturing towns.

Every State in the Union, except Oregon, was represented in the population of 1865. The following compares the American born within Rhode Island in 1860 and 1865:

Natives of—	1860.	1865.	Natives of—	1860.	1865.
Maine .....	1,301	1,810	Connecticut .....	4,634	5,439
New Hampshire .....	1,452	1,082			
Vermont .....	622	748	Natives of New England.	132,089	132,106
Massachusetts .....	13,965	17,820	" of other States..	5,187	7,156
Rhode Island .....	109,968	112,207			
Total native born .....				137,276	145,262

The large increase of natives of Massachusetts in 1865 was partly owing to the annexation of Pawtucket and East Providence in 1862.

The foreign population of 1865 represented thirty different countries, and numbered 39,703 persons, making 21.46 per cent. of the total population. The proportion in 1850 was 15.66, and in 1860 21.41 per cent. The following shows the number of foreigners in the State in 1850, 1860 and 1865:

Natives of—	1850.	1860.	1865.	Natives of—	1850.	1860.	1865.
Ireland .....	15,944	25,225	27,090	Germany .....	230	815	897
England .....	4,400	6,356	6,173	France .....	80	123	146
Scotland & Wales ..	1,040	1,582	1,403	Portugal .....	28	86	75
British America ..	1,024	2,580	3,384	Other countries ..	25	263	250
Total .....					23,111	37,394	39,703

In the city of Providence the number of foreigners has increased but little for the last fifteen years, while the per centage has decreased. The Providence enumerations show the following:

Census.	Total populat'n.	For- eign.	p. cent.	Census.	Total populat'n.	For- eign.	p. cent.
1845 (city) .....	31,747	5,965	18.79	1860 (United States)	50,666	12,570	24.80
1850 (United States)	41,512	10,275	24.75	1865 (State) .....	54,595	13,422	24.54
1855 (city) .....	47,755	13,223	27.69				
Increase in twenty years .....					22,848	7,457	32.53

The Irish population comprised, in 1850, 68.99; in 1860, 67.61, and in 1865, 68.08 per cent. of the foreign born population of the city.

Taking the whole State together, we find that of the 145,262 classed as American born, 27,946 were the offspring of foreign parents. There is

also included among the native born 3,558 persons of mixed parentage, of which 1,759 had foreign-born mothers and 1,799 foreign-born fathers.

In every 100 persons there are 10.20 under 5 years of age; 10.91 between 5 and 10 years; 10.07 between 10 and 15; 10.06 between 15 and 20; 18.10 between 20 and 30; 14.36 between 30 and 40; 11.20 between 40 and 50; 7.67 between 50 and 60; 4.68 between 60 and 70; 2.09 between 70 and 80; 0.60 between 80 and 90, and 0.06 90 and over. Only two persons attained the century—Sylvia Whipple 102, and Hannah Gully 100, both living in Smithfield on June 1, 1865.

It will be observed that the number under 5 years of age is remarkably low. In 1860, the same class was 11.81, the decline being accounted for from the decrease of births on account of the war. But even this higher number is far below the average of the United States, which, in 1860, was 15.43. In Lower Canada the same class was, in 1852, 18.89 per cent. of the total population.

The report returns a good account of the educational status of the little State. The whole number of children between 5 and 15 years of age was 38,788, of which 33,774 were at school, leaving only 5,014, or 12.9 per cent. who had not attended school during the year. The highest rate of non-attendance was in the manufacturing towns, where the maturer portion of those of the school age were probably employed in the mills and manufacturing establishments. In these towns, also the foreign population chiefly reside, and among the lower classes of these many children are allowed to grow up in ignorance.

In regard to adult ignorance there were in the State, in 1865, 10,181 persons who could not read or write. Of these 15.24 (10.65 white and 4.59 black) per cent. were native born, and 84.76 (Irish 71.83, British 3.84, German 0.43, and others 8.66) per cent. were foreign born. A glance at these figures shows at once and unmistakably the source of the mass of ignorance unveiled, and indicates the direction in which efforts should be made for its removal.

Of 16,910 foreign male persons, only 1,260, or 13.4 per cent., have been naturalized under the laws; and of the whole number of the foreign born in the State (39,703), only one in 31.5 is the owner of real estate.

The number of (184,965) inhabitants of the State that enlisted in the army or navy, during the late war, was 7,521, or one in every 24.6 inhabitants. The number of males between 20 and 50 was 37,474, and hence the same enlistments gives one to every 4.9, or 20.1 per cent. This list includes only the soldiers and sailors of the State residing within its limits in 1865. Those who enlisted and did not return are not included.

The number of different occupations given by the census of 1865 was 348, and the number of persons whose occupations was given was 65,059. The occupations, in which more than 500 are returned, are as follows: blacksmiths 861, carpenters 2,457, clerks 1,927, dressmakers 692, farmers 10,754, (fishermen 497), grocers 631, jewelers 1,215, laborers 5,440, machinists 2,193, merchants 1,150, mariners 1,070, masons 767, operatives 13,604, painters and glaziers 708, servants 3,503, shoemakers 513, tailors and tailoresses 828, teachers 856, teamsters 692.

The productive force of the State is summed up as follows:

Products of agriculture.....	\$7,590,079
"    of fisheries .....	422,412
"    of manufactures .....	108,106,396

—making a total of \$111,118,886 per annum. This shows an annual production of \$601 for each man, woman and child in the State. This does not include the products of the whale and other foreign fisheries or other items, which are not found in the productions as reported in Rhode Island.

The agriculture and manufacturers of the State are also accounted for in the volume, but considering the length of the present article we are obliged to postpone any further notice of them to a future time.

Taking the work as a whole we have found it to be the best systematised census that has yet appeared, and we pronounce it highly creditable to its compiler, Dr. Snow, the erudite compiler of the well-known censuses of Providence for 1845 and 1855.

### RAILROAD EARNINGS FOR MAY.

The gross earnings for the under-specified railroads for the month of May, 1866 and 1867, and the difference (increase or decrease) between the two periods are exhibited in the subjoined statement:

Railroads.	1866.	1867.	Increase.	Decr'se.
Atlantic and Great Western.....	\$451,477	\$459,370	\$7,893	\$.....
Chicago and Alton.....	339,661	383,001	8,540	.....
Chicago and Great Eastern.....	120,400	89,849	.....	31,011
Chicago and Northwestern.....	735,032	787,736	52,054	.....
Chicago, Rock Island and Pacific.....	325,116	\$61,916	.....	73,194
Cleveland and Toledo.....	210,783	180,675	.....	30,108
Erie.....	1,101,632	1,122,140	20,508	.....
Illinois Central.....	569,250	477,607	.....	91,643
Marietta and Cincinnati.....	95,664	90,526	.....	5,138
Michigan Central.....	365,196	333,962	.....	31,244
Michigan Southern.....	426,493	368,601	.....	67,892
Milwaukee and Prairie du Chien.....	207,488	119,104	.....	148,383
Milwaukee and St. Paul.....	245,598	230,497	.....	15,101
Ohio and Mississippi.....	253,180	252,930	.....	791
Pittsburg, Fort Wayne and Chicago.....	632,510	578,292	.....	104,218
Toledo, Wabash and Western.....	816,433	329,073	12,645	.....
Western Union.....	86,913	57,662	.....	29,061
Total in May.....	\$6,613,070	\$6,083,325	\$.....	\$524,745
Total in April.....	5,690,240	6,030,673	331,433	.....

The gross earnings per mile of road operated for the same month of the years, respectively, are shown in the following table:

Railroads.	Length in miles—		Earnings—		Difference—	
	1866.	1867.	1866.	1867.	Incr.	Dec.
Atlantic & Great Western.....	507	507	\$390	\$906	\$16	\$.....
Chicago and Alton.....	280	280	1,178	1,209	21	.....
Chicago and Great Eastern.....	224	224	538	400	.....	138
Chicago and Northwestern.....	1,032	1,145	712	688	.....	24
Chicago, Rock Island & Pacific.....	410	410	793	615	.....	178
Cleveland and Toledo.....	178	178	1,218	1,044	.....	174
Erie.....	798	775	1,330	1,448	68	.....
Illinois Central.....	708	703	804	674	.....	130
Marietta and Cincinnati.....	251	251	381	360	.....	21
Michigan Central.....	265	265	1,231	1,172	.....	109
Michigan Southern.....	524	524	614	654	.....	130
Milwaukee & Prairie du Chien.....	234	234	1,142	500	.....	633
Milwaukee and St. Paul.....	275	275	602	845	.....	48
Ohio and Mississippi.....	340	340	623	632	.....	1
Pittsburg, Ft. Wayne and Chicago.....	468	468	1,458	1,235	.....	223
Toledo, Wabash and Western.....	521	521	607	631	24	.....
Western Union.....	177	177	491	327	.....	164
Total in May.....	7,207	7,297	\$917	\$534	\$.....	\$383
Total in April.....	7,207	7,297	790	826	26	.....

The above table shows that the gross earnings of the railroads specified

have fallen off in relation to the gross earnings in May, 1866, to the extent of \$83 per mile operated, which is equal to 9.05 per centum. This presentation of a month's business would be a serious matter not only to those most intimately interested in the several lines, but also to the public generally, were the results shown, either a measure of the business transacted or of the net proceeds of that business; but that they are either the one or the other cannot be admitted, the decline in the amount being the natural effect of the same causes which have operated in reducing prices in every department of business, and do not therefore necessarily show a falling off in *net* earnings.

### ON THE COLLECTION OF REVENUE.

(Continued from page 451, Vol. 56.)

One of the great articles of production of Pennsylvania is wheat; the annual value of her wheat is more than the annual value of all her iron and its manufactures. In Pennsylvania, nature has indicated that wheat and other grain would yield the largest result for the least labor, and that grain should be the chief product, until such time as the general supply had become so great as not to yield so large a return for the labor employed as would come from working her vast deposits of iron.

At the time Pennsylvania was settled, England had already established iron works, because Nature had indicated iron as one of the natural products of England, by placing there great beds of coal and iron, and but a comparatively small area of arable land.

The farmer of Pennsylvania wants iron, which exists in its crude form under his own farm. England wants wheat. Let us suppose that, under the circumstances as they are in Pennsylvania, the farmer of Pennsylvania can produce a ton of wheat with twenty days' labor and a ton of iron with thirty days' labor, and let us suppose that, under the circumstances as they are in England, the Englishmen can produce a ton of iron with twenty days' labor but it takes him thirty days' to raise a ton of wheat.

The Englishman wants wheat, and the Pennsylvanian wants iron; exchange is free and the barter is made. It is not necessary to express the exchange in money. It is so many days' labor against so many days' labor. The desires of both are satisfied by an aggregate of forty days' labor, resulting in a ton of wheat and a ton of iron—each where it is wanted. The element of transportation may be omitted, as the same conditions apply to Canada and the United States, which are only divided by an imaginary line.

But now comes in the Government of the United States and claims a portion of the labor of the Pennsylvanian—say six days, and each day's labor is measured in Pennsylvania by one dollar. The Government imposes a duty of six dollars on a ton of iron. But as the ton of iron would cost the Pennsylvanian thirty days' labor, or thirty dollars, he will still give twenty days to wheat, six days to the Government, and import his iron. The Englishman will still expend twenty days on iron and exchange it for wheat.

The desire of the Pennsylvania farmer for iron, of the Englishman for



wheat, and of the United States Government for \$6, will all be satisfied by an aggregate of forty-six days' labor.

But the great iron resources of Pennsylvania are not protected; they must be developed, and the Government is induced to put a protective duty of \$12 on a ton of iron: but \$12 represents twelve days' labor for the Pennsylvanian, who wants iron, and therefore it is better for him to give thirty days to making a ton of iron, rather than twenty to wheat, and twelve to the tax. He does so, and gets his iron. The Englishman, having no market for his iron, and wanting wheat, must give thirty days to raising a ton of wheat. The desires of the Englishman and of the American are both met by an aggregate of sixty days' labor. But the United States has no revenue; it wants \$6, but, having been deluded into imposing a protective tariff, it did not get it, and must now impose a direct tax on the Pennsylvanian equal to six days' labor. The three desires are therefore satisfied only by an aggregate of sixty-six days' labor. To sum up:

The Revenue Tariff satisfied the three desires with.....	46 days.
The Protective Tariff with.....	66 "

Waste of labor.....	20 days.
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Disregarding all comity with the Englishman, the Pennsylvanian's desire is satisfied.

And he pays \$6 tax to the Government, under a Revenue Tariff, with.....	26 days.
Under the Protective Tariff, with.....	36 "

Waste of home labor.....	10 days.
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Any one who has read Prof. Perry's admirable book will see that I owe this demonstration to him.

If we wish to understand how the great iron deposits of Pennsylvania would be developed in a natural manner, we have to take the case in a little different form. Suppose twenty men working one day can make a ton of wheat and thirty men a ton of iron; with free trade, ten men have leisure—ten men are unemployed on wheat. Will they not be sure to be trying experiments on the iron which they want? Will they not slowly but surely learn the trade? But, if the whole thirty men are forced by protection into making iron without ever serving an apprenticeship at it, are they as likely to achieve success?

Let me suppose another extreme case: I am a farmer in St. Lawrence County, N. Y., understanding my business; and with one day's labor I can produce a bushel of wheat; in three days' time I, not having learned the trade well, can cobble together a pair of shoes with great waste of leather. On the other side of the river is a poor, ignorant cobbler sent out from England and placed upon a Canada farm; he can make my shoes in a day, but he requires three days to make a bushel of wheat wherewith to feed his family. Shall I not be protected against pauper labor? If I allow his shoes to cross the river, shall I not be reduced to his level? Shall I ever learn shoe-making and become independent of these foreigners who flood us with their shoes, unless Government compels me to employ three days of hard work on shoes, instead of two days of leisure in cutting up leather and trying to learn at my ease.

But suppose this cobbler moves one mile and comes into the United States—in what respect has his labor changed in its relation to mine? As a consumer he now pays a small portion of the United States taxes, which he must add to the price of the shoes he makes, in precisely the same manner as a moderate revenue duty would have been added to the price of the shoes if he had continued to make them in Canada; do I any longer demand such a tax upon the shoes made by him as shall force me to make them myself? Far from it, I scout the idea of a heavy tax on shoes, and hasten to avail myself of the benefit of his cheap labor; yet in England or in Canada he was a pauper, or so near it as to be called so.

To be consistent in the doctrine of protection to American labor, we should impose the very highest rate of duty in our schedule, upon the laborer, and not upon his product; we ought not to permit this flood of immigration; the immigrants can make great many things which we can make ourselves. Let this duty by all means be *ad valorem* and on a home valuation, so that we may as far as possible exclude the most skillful and intelligent workmen; we don't want the result of their skill when it is exerted abroad, and we shall never prosper if they come here and prevent our attaining it ourselves.

There is danger in the abundance of things. We are flooded with foreign commodities—flooded with comforts and luxuries. Protect us, in order that we may labor: it is a privilege to labor; we want to work harder, to get what we consume, than our natural condition requires. Create an artificial scarcity, so that we may enjoy our full right to labor.

Is it the right to labor for which we should so strive? Is labor the end? Is it not rather what labor will give us that we seek? And if we can get what we want with little labor, instead of much, do we regret it?

"But," says the protectionist, "you will never establish manufactures unless they are protected in their infancy." I believe all baby-jumpers and other devices to aid or protect children in their efforts to walk have been discarded, as it has been found better that they should now and then have a tumble, and possibly one occasionally break its neck, rather than that all should grow up with weak legs, even though their legs should get as strong as they ever would have been by the time the children have become old men. And I believe the same process is healthy for infant manufactures as well as for infant children. The most firmly established manufactures in the United States are those which have never been protected to any extent—such as the various manufactures of wood; of boots and shoes; of heavy machinery, such as locomotives; and, above all, of agricultural implements and tools, of clothing, of sewing machines, and so on, to the extent of the larger part of our home manufactures, some of which have grown up in spite of heavy duties on the raw materials of which they are composed. It may here be well to consider the meaning of the terms "raw materials" and "manufacturing."

In the common use of the words, raw materials are things which are produced mainly by hand or manual labor, and are therefore true *manufactures*; but which are changed into finished commodities, not by the hand, but really by machines. We are led to much confusion of ideas by this inaccurate use of words.

We call cotton a raw material, yet to the planter it is a finished commodity, produced by the hand labor of the cultivator of the field, and finished upon the cotton gin.

To the so-called manufacturer, the cotton comes from the gin as a raw material, and in the mill it becomes finished product, as cloth.

But, as cloth, it now goes to a real *manu*-facturer—the sempstress, to whom the cloth is raw material, and who by hand cuts it and makes it into garments; and the garment is now a finished commodity.

But, as a garment, it goes to the farmer, to whom again it is a raw material, by means of which he is enabled to live in comfort, and without which he could not cultivate his farm. It does not cease to be a raw material and become a *finis*-hed commodity until it is worn out; and even then it becomes the raw material of the paper-maker, and may not reach its final end until it has printed upon it an essay “upon the Collection of Revenue,” and is put away upon a library shelf.

In its course, whom shall we protect or give a bounty to?

The manufacturer of the raw cotton?

The manufacturer of the cloth?

The manufacturer of the garment?

The consumer of the garment?

The paper-maker? or, finally—

To the writer of an essay “upon the Collection of Revenue”—who may, at this present moment, really need *personal protection* more than any other?

Shall we not rather seek to collect our revenue as impartially as possible, creating no artificial obstacles to commerce, and leaving each individual to work out his own material salvation, even as he works out his spiritual salvation?

This claim for the protection of infant manufactures never ceases. Under its operation they never seem to grow to manhood, but the larger they grow the more urgent the demand for artificial support. The most urgent and imperative demand for protection now comes from the iron-masters and the wool-growers.

American iron was born into the world more than a hundred years ago, when Pennsylvania was a colony. Great Britain was the mid-wife who presided at the birth, and endeavored to strangle the infant in its cradle; but he, being of a tough and fibrous quality, lived and grew apace, until he could stand alone, if he would only think so. But having been propped up with baby-jumpers and crutches, shoulder-braces, etc., he fears to stand lest he should fall, and demands now to be encompassed with a high wall over which no rude shove shall reach him.

Where the demands of Pennsylvania ever more imperative? Yet what are the facts.

In the fiscal year ending June 30, 1866, a year of very large importations, the total import of iron and steel, and the manufactures thereof, was a trifle over .....	19,000,000
The export of iron and steel, and the manufactures thereof, allowing two-thirds the value of the agricultural implements and printing presses to have been iron and steel, was about .....	5,000,000
Leaving a net import of .....	14,000,000

During the same period, the internal revenue derived from iron and steel of home manufacture, in the forms which are specifically named by law, amounted to \$13,728,133.

The internal taxes alone upon this *infant* home manufacture were nearly equal to the total value of the importation.

It is somewhat difficult to capitalize this tax, as the taxes upon iron and steel were duplicated, and even in some cases quadrupled, but the total value on which this tax was assessed cannot have been less than \$200,000,000, and was probably nearer \$300,000,000. The object in demanding a heavy duty on iron and steel, or any other commodity, can only be to maintain the price in an amount equal to the duty imposed. The demand of Pennsylvania is that the duties shall be raised to a still higher point than they now are, in order to shut out the flood of \$14,000,000 worth of foreign iron, by granting a bounty on over \$200,000,000 of home production. We may well ask Pennsylvania how much longer she will "plead baby?"

I shall perhaps be charged with ingratitude by some of my friends in Pennsylvania, and I might have felt obliged to take another illustration rather than iron, had it not been for the most unreasonable demand of Pennsylvania for a duty on bituminous coal. If not infants in iron manufacture, the men who advocate this duty are infants in intelligence. Suppose New England being without coal, and being obliged to use costly fuel, were to demand that a tax be imposed upon every steam engine used out of New England, and that her own should be exempt; would there not be an outcry which would overwhelm us with scorn and derision? Should we not be charged with the most selfish designs? Yet such a claim would be far more reasonable, than that of Pennsylvania for a duty on coal, which is only a tax on the steam engines of New England, already working at a disadvantage. The impudence of this claim is only exceeded by the ignorance of all economic law exhibited by those who propose it, which ignorance is their only justification.

It is alleged that because we have begun the manufacture of Bessemer steel rails in this country, the price has been reduced by the English manufactures from \$150 to \$110 per ton, or about in that proportion; but those who make this absurd allegation make no note of the enormous extension and improvement in this manufacture in England. If their allegation is true the trade in steel rails in England would be conducted in the following manner. Suppose the parties to be the English manufacturer, the Agent of the Pennsylvania Central Railroad, and the Agent of the Pacha of Egypt.

Penn. Agent.—What is the price of steel rails?

Manufacturer.—For what railroad?

Penn. Agent.—For the Pennsylvania Central.

Manufacturer.—The price is \$110 per ton, delivered.

Agent of the Pacha.—I want an equal quantity at the same price.

Manufacturer.—Our price for Egypt is \$150.

Agent of Pacha.—Have you two prices?

Manufacturer.—Yes, sir; they are endeavoring to establish the manufacture of steel rails in Pennsylvania, and all the English manufactures have combined to break them down; we charge \$110 to Yankees, and \$150 to all others.

Agent of Pacha.—But you make a profit at \$110.

Manufacturer.—Oh, yes, certainly: we don't make a practice of selling at less than cost.

Agent of Pacha.—Good morning, sir; I will get my rails in Prussia, or wait until the Americans get started. If you make a profit at \$110, and charge me \$150, Pennsylvania will soon supply me at less than \$150, even if you supply her own railroads at \$110.

I believe that any business man must see that the alleged effect of the few small steel-rail establishments in this country is as nothing compared to the effect of the competition in England. We cannot cripple our whole railroad system, cause all our transportation to be more costly, and retard the development of our western country, by granting any higher bounties to a few rail-makers, than we now pay. Yet I do not ask Pennsylvania to cease at once to demand duties upon iron and steel, nor would I willingly submit at once to a great reduction in the duties upon cotton manufactures. Any such abrupt changes would destroy capital and reduce production.

Our problem is to maintain capital, and increase production, and this can only be done by a judicious reduction or abatement of internal taxes, and then by a gradual reduction of duties; and I for one have always advocated the entire abatement, first and before all others, of the internal taxes upon metals and the manufactures of metal. The metals are at the foundation of all other industry, and any tax upon them is an impediment to the production of almost every commodity needed by men. It is to be hoped, that, whatever Congress may fail to do in the matter of amending our present onerous tax laws, they will not fail to abate all internal taxes upon metals, and the manufactures of metal, and to refuse all requests for an advance in the duties.

The repeal of the cotton tax should immediately follow, if it should not precede. This tax was never justifiable, except as a temporary expedient; the least onerous method would have been to have collected it of the manufactures for the home consumption, and of the merchants at the port of export. To attempt to collect of the producers checks the change from the plantation to the small farm system, and checks production. It may be added, that the time is not far off, but will come probably within two or three years, when there will be a surplus of cotton in the world. (See appendix C).

I think Boston to-day affords a good illustration of the evils of protection. The conditions of soil, climate and coast, indicated maritime pursuits as the province of New England men; and she engaged in them chiefly until the South forced a protective tariff upon the country. As this destroyed commerce, New England developed textile manufactures before their time, and then, becoming converted to the doctrine of protection, continued to foster them by the same process. The result is, that a large amount of the capital, and a large amount of the business capacity of Boston which should have been applied to railroads, steamships and commerce has gone into manufactures; consequently, Boston commerce declines, and young men emigrate. Commerce would have employed the young men at home, or in voyages ending at home; but textile manufactures employ only a few treasurers, agents or commission merchants, and a very large force of operatives or laborers. There are too many young men for the number of places equal to their capacity, and they must migrate. I think the population of New England has not been improved by this forced establishment of textile manufactures.

If, as I have attempted to demonstrate, a tariff is but a tax under another name, then it is a burden upon the labor of the country, and is subject to precisely the same law as an internal tax.

I now come to another point to which I have adverted, viz, that in the collection of a given amount of revenue, more or less evil could be done, according to the wisdom or unwisdom of the law. Nations which are older than ourselves in the matter of taxes, select certain articles to bear the heavier portion of the burden, rather than lay an even portion on all. It is an axiom, that the consumers pay all taxes in the long run; but this should always be qualified by adding, that their consumption of taxed commodities is regulated by their production. The great body of consumers and the great body of producers are identical, and they procure the taxed articles which they consume in exchange for the articles they produce.

The articles thus selected for taxation are tea, coffee, sugar, spices, spirits, tobacco and other commodities, the consumption of which is voluntary, and the deprivation of which does not impede production. None of the articles named are essential to production, in the sense that meat, bread, iron and clothing are essential; and therefore the consumer may use a little more or less, according to the price, and still cultivate as many acres or operate as much machinery. England keeps her custom-house because tea, coffee, sugar and spirits are natural subjects of taxation; but, if they were all produced in England, she would tax them by an excise duty at the same rate, and abolish her custom-house.

But now let us see if we really limit the power of the consumer to purchase tea and coffee, by a high duty on them, and no duty on iron, rather than by a moderate duty on each. Let us return to the Pennsylvanian and the Englishman, and remember the relative condition of labor on iron and wheat.

Let us suppose that each was employed the whole year, save thirty days, in feeding and clothing his family, and has just thirty days to give to accumulating a surplus of capital. The Englishman, for some reason, desires to have, as the representative of his surplus labor amounting to thirty days, a ton of wheat, which he can make in thirty days; but he can make a ton of iron in twenty. The Pennsylvanian must have a ton of iron, which he can make in thirty days; but he can make a ton of wheat in twenty. By free exchange, each can satisfy his desire with twenty days' labor, and each will thus have ten days to spare.

Wanting tea, each will work upon some commodity to exchange for tea. We will say that the Pennsylvanian wants five pounds of tea, and with five days' work can get it free of duty; the Government puts a duty on tea equal to five days more, but the Pennsylvanian still has five days to spare and works it out. He has his ton of wheat, his five pounds of tea, and has paid five days work or five dollars to the Government. But, under a system of protection to iron, by which the Pennsylvanian has been caused to give thirty days to iron, he has only the iron; he has no tea; the Government has no revenue, and must now take a part of his ton of iron.

Free exchange of the results of labor, free trade, free commerce, gives to each nation the advantage of the different gifts of soil and climate which God has bestowed upon the several sections of the earth. It in-

creases the abundance of the things which give comfort or enjoyment to all people. It does not degrade the labor, or reduce the purchasing power of the wages in the most favored country, like our own; but, while it would yield to us more comfort and more luxury, it would elevate the oppressed of other nations and civilize the barbarian.

The individual laborer, who is skilful in farming, or well placed on good land, and whose wages are high because his product is large, does not give up his occupation and go to making shoes because some poor shoemaker near him is starving and willing to work cheap; then why should Uncle Sam, with his rich farm, and his domain, scarce touched by the hand of man, refuse to employ the pauper labor of Europe, of which we hear so much, because the paupers work cheap?

Much of this hue and cry about pauper labor is merely clap-trap, the pauper labor of England is mainly in the agricultural counties. Of the same nature is the common talk about the flood of foreign commodities with which we are overwhelmed. Let any one analyze the imports for the year 1866, and out of \$368,000,000 on which duties were paid he will find less than \$68,000,000 consisted of articles of luxury, and over \$300,000,000 were articles of comfort or of necessity. It is alleged that the total value of all our products in the year 1866 was \$6,000,000,000; and it is tolerably well ascertained that the value of all our products in 1860 was \$4,000,000,000, on a gold basis. If the estimate for 1866 is correct, then our flood of foreign luxuries was about equal to one per cent on our production!

Upon the third premise, which seems to me fundamental, viz, that gold and silver, either in the form of bullion or money, are only useful up to a certain amount, which will define itself, if let to natural laws, I shall spend but a moment.

Gold and silver, or specie money, has been adopted by the world as the measure of value of all commodities, and, being an article of universal desire, it has value in relation to other commodities in the proportion which the labor required to mine, smelt and refine the specie bears to the labor required to produce the other commodities. Now if the exchange of all other products of labor be left free, except so far as the need of revenue causes a tax to be imposed upon the so-called natural subjects of taxation, then the exchange of specie as one of the products of labor must be left free also, and it will follow the natural law, remaining where it is wanted most. The country which continues to use it as a measure of value will want it more than the country which has substituted paper as measure, or wampum or cowrie shells, or any other substitute which ignorance or necessity may devise, and the country which wants it will get it because it will give more of other products of labor for it, unless those products are prevented from entering the country which has the gold. If importations are prohibited or retarded, then gold remains in the country unnaturally, and causes an advance in prices the same as an issue of paper money. If we could prohibit imports absolutely, and continue to mine \$100,000,000 of specie a year, its value in this country, in relation to other commodities, would, of course, be far less. This was done in Japan. Japan produces gold. but, by non-intercourse, it had so accumulated it as to cause it to lose a part of its purchasing power, or relation to other products; and the first outside barbarians who opened

trade with Japan, obtained much more gold for their commodities than they could have got elsewhere.

We can take the same position in the world as Japan, if we inflate our currency and prohibit imports; but our gold will then have no value except in the arts, as paper can be made with less labor than gold can be mined.

Taxation of any kind is surely a burden, but it has its compensation. The desire to live as comfortably, or, in other words, the desire to produce as much for one's own use, despite all taxes, stimulates invention; and every invention, by increasing the productive force of the laborer, increases the result. The invention of improved agricultural machinery kept our crops increasing all through the war, and I suppose we can now produce as much more than we formerly could as would suffice to pay all the taxes without using any more effort or expending any more hours of labor in the aggregate; but the trouble is, the increase is not equitably divided, and cannot be under our present system of currency: therefore the burden presses more and more upon the mass of the people, and will continue to do so until the proper correctives are applied.

Now as to the correctives. The first essential thing to be observed is not to make any rapid change. Because it would have been better to have collected the revenue from what I have called the natural subjects of taxation at the beginning and up to the present time, it by no means follows that we should jump to that system at one bound.

Our industry has been diverted from its natural channels by protection, and we must slowly and cautiously guide it back, else we may all be paralyzed. We need the immediate establishment of a permanent board of Commissioners of Revenue, consisting of at least five competent men, secure in their tenure of office, well paid, and selected because of their fitness and ability. Mr. Wells alone, with work piled upon him which five men could not have accomplished in the very best manner in the time given, has yet made a report of inestimable value, and such as was never presented to the country before.

A permanent board, known to have the matter of revenue in charge, would take it mainly out of party politics. The people could not afford to have it trifled with. The Board of Commissioners would prepare changes and give fair warning, thus giving each branch of industry time to prepare, and preventing disaster.

Slowly, but surely and safely, can this country be brought to a system by which it shall secure an ample revenue from almost as few articles or interests as are now taxed in Great Britain. If any one doubts this, let him consider. We have now, as I suppose, a larger population, and though not as much accumulated capital, yet, what is more valuable, a better educated people, and a country whose resources have hardly been touched, and whose productive capacity may be indefinitely increased. Can any one doubt that a given number of hours of American labor will yield a larger result than a given number of hours of English labor? Aggregate all the American laborers into one, and all the English laborers into one. Put the Yankee education and the Yankee versatility, and the innumerable labor-saving devices of the Yankee, and also the varieties of our soil and climate, against the great works and mills, and greater accumulated capital of the Englishman, and which would get the greatest



result for his labor? I think every one here will honestly answer, The Yankee.

Then he will consume more tea and coffee and sugar and spirits and spices, and have a greater income, and require more stamps to represent more transactions, than the Englishman; and, consequently, the same rates of tax upon these various items will pay our larger rate of interest, but our less cost of army and navy and civil service, and pay our debt besides as rapidly as it should be paid. We are paying debt too fast now. The faster we try to pay at the beginning, the longer we shall be in paying the whole.

The Secretary of the Treasury estimates the expenses of the Government, for the fiscal year, ending June 30, 1868, as follows, in round numbers:

Civil service.....	\$50,000,000
Pensions and Indians .....	25,000,000
War Department.....	50,000,000
Navy.....	30,000,000
Interest.....	135,000,000
<b>Total.....</b>	<b>290,000,000</b>

We may soon reduce the expenses of the War and Navy Departments to an aggregate of \$50,000,000, and ought to increase the interest to \$150,000,000 by funding the legal tenders. The estimate would then stand:

Civil Service, Pensions and Indians.....	\$75,000,000
War and Navy.....	50,000,000
Interest.....	150,000,000
	<b>275,000,000</b>
Add for reduction of debt.....	25,000,000
<b>Total.....</b>	<b>\$300,000,000</b>

Population increases by births and immigration more than three per cent per annum on the average, but production increases in a much greater ratio; and rates of taxation so adjusted as to yield \$300,000,000 now would doubtless yield \$400,000,000 within ten years. The expenses of the Government would doubtless increase, but, in the absence of war, not more than the saving of interest on the debt annually paid would amount to.\*

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\* If consumption should only increase at the rate of three per cent per annum, the rate would, in ten years, cause the avails of taxes to be about thirty per cent more. The rates of taxation, which would now give \$300,000,000 would then give \$390,000,000.

If consumption should increase five per cent per annum, that rate would yield in the tenth year about \$450,000,000.

If we allow an increase of consumption at the rate of five per cent per annum, the following sums would be available in each year for the payment of debt, and in this estimate I allow a present need of \$300,000,000, and that our expenses shall increase

Let us now see how near we have already come to securing the sum of \$300,000,000, from the sources from which revenue can be derived with the least injury.

In the fiscal year ending June 30, 1866, the taxes imposed, either under the Tariff or Internal Revenue Laws upon the following articles of interests: Incomes, Stamps, Licenses, Banks and Insurance Companies, Legacies and Successions, Gross Receipts of Railroads, Canals, Lotteries, Telegraph Companies, etc., Tea Coffee, Sugar, Spices, Spirits and Wines, Fermented Liquors, Tobacco, and Manufactures of Silk, amounted to about \$260,000,000, of which over \$80,000,000 was in gold from the Customs.

The Income tax will be reduced by being made uniform, but the tax on spirits will be increased by the enforcement of the law, it having been over \$37,000,000 in the calendar year ending Dec. 31, 1866, against \$29,000,000 in the fiscal year ending June 30, 1866.

It may be alleged that this year yielded more than an average, and there is some force in the objection; but, if we remove the internal taxes on iron, steel and on manufacturing generally, that is if we remove the impediments to production, I believe the consumption of tea, coffee, etc.,

as fast as our interest decreases, or that we shall only decrease debt by the amount we get over \$800,000,000.

Year	per cent		Year	per cent	
1st on \$00,000,000, 5....	\$15,000,000		12th on 300,000,000, 60....	\$180,000,000	
2d " " 10....	30,000,000		13th " " 65....	195,000,000	
3d " " 15....	45,000,000		14th " " 70....	210,000,000	
4th " " 20....	60,000,000		15th " " 75....	225,000,000	
5th " " 25....	75,000,000		16th " " 80....	240,000,000	
6th " " 30....	90,000,000		17th " " 85....	255,000,000	
7th " " 35....	105,000,000		18th " " 90....	270,000,000	
8th " " 40....	120,000,000		19th " " 95....	285,000,000	
9th " " 45....	135,000,000		20th " " 100....	300,000,000	
10th " " 50....	150,000,000				
11th " " 55....	165,000,000				\$3,150,000,000

Or in less than twenty years the whole debt will be paid, and we should have \$500,000,000 to spare to build two or three Pacific Railroads, a ship canal across the Isthmus of Darien, and a few more works of the like character.

If we allow an increase of the results of taxation at the rate of the increase of population, say only at three per cent, and allow \$300,000,000 as the constant amount required for expenses and interest, we have the following result:

Per cent	Year		Per cent	Year	
3 on 300,000,000, 1st....	\$9,000,000		3 on 300,000,000, 14th....	126,000,000	
" " 2d....	18,000,000		" " 15th....	135,000,000	
" " 3d....	27,000,000		" " 16th....	144,000,000	
" " 4th....	36,000,000		" " 17th....	153,000,000	
" " 5th....	45,000,000		" " 18th....	162,000,000	
" " 6th....	54,000,000		" " 19th....	171,000,000	
" " 7th....	63,000,000		" " 20th....	180,000,000	
" " 8th....	72,000,000		" " 21st....	189,000,000	
" " 9th....	81,000,000		" " 22d....	198,000,000	
" " 10th....	90,000,000		" " 23d....	207,000,000	
" " 11th....	99,000,000		" " 24th....	216,000,000	
" " 12th....	108,000,000				\$2,702,000,000
" " 13th....	117,000,000				

or more than the entire debt in twenty-four years.

the use of stamps and the aggregate of incomes, would increase; at any rate we could safely count on \$250,000,000 from such sources. In confirmation of which opinion see the letter of Hon. D. A. Wells hereto appended.

If we can get \$250,000,000 from these sources, we should have but \$50,000,000 left to obtain from all other foreign imports; but to reduce the duties thereon so as to yield but \$50,000,000 would be too abrupt a change—it would be better to raise \$75,000,000. The latter sum would probably be yielded by a tariff at about the present average rate of forty-eight per cent, less twelve to fifteen per cent reduction, as the equivalent for the reduction in internal taxes—say by an average rate of duties of thirty-three and a third per cent. Such rate would really give as much protection to home industry as the present tariff, if home industry is relieved from the present onerous internal taxes. There are few textile manufacturers, or none, who would not say that a net duty of thirty per cent on foreign imports would be better for them, with the internal taxes removed, than the present high rates of duty are with the internal taxes as now imposed.

To this practical agreement I believe New England manufacturers would come. The protectionist would say, twenty-five to thirty per cent net duty gives us all we want; and the free trader would say, We advocate for the present twenty-five to thirty per cent net duty for the purpose of obtaining revenue. The result is the same, but it is of the utmost importance that we start from the free trade rather than the protective point of view. The free trader cannot be swerved from a uniform system, because he looks upon the whole thing only as a necessary evil; but the protectionist is constantly in danger, because he thinks he can confer a benefit and is therefore at the mercy of each special interest.

Hence the futility of the attempts to pass a tariff bill at the two last sessions of Congress. Each man put in his brick, until the whole structure became absurd and ridiculous, and at last it all tumbled to the ground together.

When the Committee of Ways and Means shall frame a moderate tariff, as a revenue measure, upon a fixed principle, firmly assuring the representatives of each special interest that they must adjust themselves to it as best they may, it will be very certain that the common sense of the people will compel the enactment of the law thus framed.

The question of protection has been much complicated, during the late sessions of Congress, by the claim made by the Western and Middle States for protection to agricultural products and upon materials in their primary or secondary condition, such as copper ore and regulus, raw and lined flax, hemp, jute, linseed, hides, goat-skins, salt, etc. It would seem as if the West had suddenly come to the conclusion that New England, by means of protection to manufactures, had been making money out of them, and that it was time for them to get a return from New England.

I cannot deny that if New England has derived benefit from the bounty granted under the name of protective duties, which I doubt, so far she has prospered at the expense of the rest of the country. I do utterly deny, however, that this special benefit has been intentionally secured by the advocates of protection. They have, and do still earnestly believe, that protection is a benefit to the whole community, and that their own

gain is but a proportional part of the general gain. I think, however, they will find it somewhat difficult to meet the claims of the Western men, if they adhere to the doctrine of the expediency of protection; and that such is actually the case, is proved by the recent combination of the wool growers and the woolen manufacturers.

The wool growers' claim has been admitted, and a protective duty has been placed upon foreign wool. This claim might have been presented in a much stronger manner than it has been. The wool growers might have said to the manufacturers, "You advocate protection to American labor, and insist that you are its representatives because you are manufacturers: your claim is well grounded. American labor should be protected, and, if this is to be secured by protection to manufactures, *we* are the real *manufacturers*. Nature has given such conditions of climate and soil to Ohio that to make wool we must *with our hands* build fences and barns, and cultivate the land, and also shear the sheep. Our wool is manufacture; and, in numbers, we, the agriculturists, are greater than those who operate your machinery.

The manufacturers of woolen fabrics must admit the claim, and they have done so. The result is a higher bounty to each of these interests.

The claim of the wool grower cannot be met by an advocate of the principle or expediency of protection, but can be easily controverted by the advocate of free trade. What is the claim of the wool grower of Ohio but this, that he shall substitute human labor for the free sunshine which nature has given to South Africa, to Syria, and to South America; and that the community who use wool in the form of woolen garments must be made to pay for such useless labor.

The wool of South Africa and South America may be said to represent four parts sunshine and soil, gratuitous and common to all, to one part of human labor measured at the rate of twenty-five cents per day. The wool of Ohio represents, on the contrary, two parts of sunshine and soil, to three parts of human labor measured at the rate of \$1 per day.

Protection to wool is only an artificial impediment by which we shall be prevented from enjoying the large bounty of nature with which God has endowed South Africa in this one respect. We refuse it, because it is gratuitous and common, and, as a nation of 36,000,000, we charge ourselves with a bounty for the possible benefit of half a million interested in wool growing.

Bastiat's satire, in the form of a petition of the candle-makers and tallow-chandlers of Paris to be protected against the light of the sun, by having all the windows closed, and the streets roofed over, is not more absurd.

On the other hand, can the manufacturer of woolen cloths and other fabrics substantiate his claim to protection? He has no greater claim to a bounty; and has, at this time, only a right to be spared the disaster which a sudden change in the revenue policy would cause.\*

To the advocate of a revenue tariff, from the free-trade stand-point, the

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\* Such disaster as overwhelmed the manufacturers of worsted goods, when by the sudden, and as I believe most unwise abrogation of the Reciprocity Treaty, the coarse Canada wool, which had been free, became subject to a heavy duty.

problem is perfectly simple. His ground is this. If we had no expenses, we should need no revenue, and our industry would assume that exact measure of diversity which our soil and climate indicated, and the intelligence of our people rendered possible. Our true prosperity would consist in the abundance of the commodities which we desire and use, and not in the amount of money by which we measure them. Our laboring people would secure the most comfort and the most rapid progress, not by high wages—the result of an artificial scarcity—but with low wages and a natural abundance of commodities.

But we must have a revenue; how shall we obtain it? Free trade and direct taxation we almost unanimously reject, and protection we equally reject.

Should we not then first tax such articles as are not of prime necessity—such as tea, coffee, sugar, liquors, spices and silk goods; next, the interests which are the farthest removed from labor—such as licenses, incomes, stamps, banks and the like?

When we have exhausted these sources of revenue, should we not rather levy a duty upon such commodities as represent the larger amount of human labor, skill and invention, and the lesser amount of the gratuity of Nature?

Wool, hemp, jute, cotton, copper, ore, salt, linseed, hides, skins and the like represent commodities which are the product mainly of Nature, supplemented by a small degree of the effort or labor of man, and that labor of the lowest grade. If we place an obstacle in the way of the importation of the free gifts of Nature, we place ourselves at a disadvantage as compared with all other nations who accept them thankfully.

We would select rather, as the sources from which we can derive the remainder of our revenue with the least disadvantage, such commodities as are mainly the result of human labor or skill, and these we find in what are called manufactures; in these we find but a small portion of the gratuity of nature, and a large portion of the skill or invention and of the labor of man. And as other countries have, in the production of certain manufactures (using the word manufactures in its ordinary sense), greater skill, and more abundant and cheaper labor than we have, we can impose a tariff for revenue upon such manufactures, from which shall arise a certain amount of stimulus to home production; but which, being imposed at a rate representing a sum less than the difference in the measure of the labor required to produce it at home, will yield the revenue at a cost to the community of the revenue itself and no more.

I cannot close this treatise in a better manner than by submitting the following propositions:

Perfect protection is impracticable; but, if practicable, would cause all revenue from imports to cease, and render direct taxation imperative.

If perfect and equal protection were practicable, it would simply result in a general rise in prices and wages, and since it would prevent exports and consequently imports, it would decrease the aggregate of commodities, or in other words, the aggregate result of labor; and since capital is the surplus result of labor, a decrease in the aggregate would be a decrease in the surplus. The amount of capital would therefore be less in proportion to the number of laborers, and this condition of things would be to the disadvantage of the laborer, since, as we have before quoted from

Bastiat, "In proportion to the increase of capital, the absolute share of the total product falling to the capitalist is augmented, and his relative share is diminished; while on the contrary the laborer's share is increased both absolutely and relatively."

Imperfect, or partial protection adds to the tax which accrues to the Government a bounty to individuals or classes, in many cases more than equal to the amount of revenue secured by the Government.

A duty or tax upon articles which are mainly the result of a small amount of unskilled labor, by which the gratitudes of nature are put into form for use, and which are known as raw materials, is an impediment to the use of the free gifts of God, which should be common to all. The nation imposing such a duty places itself at a disadvantage as compared with all other nations.

A duty or tax upon articles which are mainly the result of human labor, aided by the largest amount of skill or invention, commonly known as manufacturers, will yield a revenue at the cost to the community only of the revenue thus raised.

Protection decreases the abundance of commodities, and increases the absolute share of a small number of the people at the cost of a portion of the relative share of each.

Free Trade increases the abundance of commodities, gives to each the relative share which his education, skill or capital entitle him to, and leads to the harmonious development of the powers of all.

We shall reach specie payment, not by the prohibition of imports but by the increase of the products of labor, other than gold or silver, to such a point that other nations will buy them on account of their cheapness, rather than our specie, and thus enable us to retain specie and export cotton, oil, wheat, etc., in full for our imports.

The larger portion of the revenue now required by the United States can be obtained from commodities which are not absolutely necessary to the productive power of the people, and the remainder from a moderate revenue tariff which shall cost the people only the amount of revenue thus obtained.

A reduction of the aggregate of taxation from \$16.04 currency or \$11.46 gold per head to \$8.60 per head will yield a revenue sufficient to meet the probable expenses of the Government, and pay the debt in less than twenty years. (See appendix B).

The amount of \$8.60 per head can now be obtained from very moderate rates of taxes and duties, as compared with what we have been paying; and, as wealth, production and consumption, increase faster than population, a less and less rate of tax or duty upon commodities or interests will yield the requisite amount per head.

To secure these benefits, stability is absolutely essential; and no stability is possible until we mature and persistently follow a system in regard to the currency which shall, as soon as possible, lead us to specie payment. An inconvertible paper currency enables the few to tax the many in the most onerous and unjust manner, and judicious but uniform and persistent contraction of the currency is the first and most imperative duty of the Government.

As some surprise has been expressed, that these views should emanate from a manufacturer of cotton goods, I will add that I believe a gradual

and judicious reduction in the duties upon foreign commodities, in the manner proposed—of course preceded by an entire abolition of the internal taxes upon manufactures—will result in a more permanent and uniform condition of prosperity in the manufacture of textile fabrics, as well as of all other commodities, than we have ever yet enjoyed. If we can come slowly but surely to what is called British Free Trade, we shall share in the increase of wealth which that system has brought to Great Britain—only the benefit to us would be greater, as our natural advantages and variety of resources are greater. British Free Trade is the result of the longest experience and the greatest amount of intelligence applied to the collection of revenue; I trust it may not be many years before the people of England will learn from us the true principles upon which the laws relating to the tenure of land, the Church establishment and popular education should be based. Upon these points they are yet under the control of protective or bounty laws of the most vicious character, and which render the increase of wealth which they have derived from the modifications of their revenue system less beneficial because of the partial and inequitable division of such increase of wealth which they cause or permit.

The world demands to be supplied with the various commodities called manufactures, such as textile fabrics, iron ware, agricultural implements, etc., etc. The question is, who shall supply such commodities? Thus far, the practical answer has been, England; and we may well ask ourselves why this has been. Labor is not as cheap in England as in Germany, neither is labor as cheap in England or Germany as in India or China; yet the dear laborer of England rather than the cheap laborer of Germany supplies the inhabitants of China and of India with textile fabrics. Why is this? A complete answer could only be given by a Buckle or a Lecky; but we may glance at some of the causes.

1. The possession of large deposits of coal and iron first enabled England to supplement manual labor by cheap machinery.

2. The intelligence of England soonest relieved commerce from the trammels and fallacies of the "mercantile system."

3. The possession of coal and iron in abundance having enabled England to thrive in spite of the Protective System to which she long adhered, she has led all other nations in the adoption of what is called British Free Trade, and by that has been enabled to accumulate wealth faster than other nations which have a better although not the best system of land tenure, like France, or a far better system of education, like Germany.

4. Under the system of British Free Trade she receives from all parts of the world such commodities as their conditions of soil, climate and population, enable them to produce cheaper, paying therefor in the commodities which she can produce better or cheaper than they. She places no artificial obstacle in the way of any import because it is cheap, but simply imposes duties, *for revenue*, on a few articles of universal consumption and difficult to smuggle.

How shall we compete with England in supplying the demand of the world, for commodities, and thus secure to ourselves a greater abundance of the necessities, comforts or luxuries of life, for such is the only incentive to commerce or exchange? Neither nations nor individuals will ever es-

establish trade of exchange with each other unless each shall in the long run get more than he gives. No permanent trade is possible where the satisfaction or gain is all on one side. The mutuality of services rendered, is essential to the continuance of mutual exchange or trade.

We want more foreign luxuries and comforts than England, because the great mass of our people can afford them better, and we have more natural resources than England, in the shape of easily worked mines, a better climate for the breeding of sheep and the product of wool, almost a monopoly in ordinary times in the production of cotton, and in all farming operations a superiority in natural advantages hardly to be measured, and therefore we have far greater power to create wealth, and in the production of wealth to combine the larger amount of the gratuity of nature with the smaller amount of labor.

I can only see one answer to the question, how we shall compete with England in supplying the world with manufactured articles, and that is by adopting the same system of British free trade as soon as our need of revenue, and a cautious, slow and judicious method in making the change, will allow us to do it.

Freedom of trade, leads to the free movement of the laborer, and he will surely seek that country where he can secure the most comfort and the best conditions of life in return for his wages and it matters not whether his wages be measured at a high or low rate. Our natural advantages would have induced a larger immigration, and would, I believe, have been more firmly established to-day and upon a larger scale than we have ever dreamed of, had we not impeded the importation of foreign commodities by protective duties, and thus confined ourselves mainly to the home market for our manufactures. We shall again share with England in the commerce of the world, and in the profit of that commerce, when we cease to deprive ourselves of the benefit of our natural advantages over England, by adherence to the principle, or rather the want of principle, involved in laws imposed for the purpose of protection.

## DEBT AND FINANCES OF CHICAGO.

The tenth annual statement of the Comptroller of Chicago, covering the fiscal year ending April 1, 1867, supplies full information relating to the financial affairs of the city and the transactions of the year then closed. The following is a statement of the public debt outstanding at the end of the fiscal year :

<i>Municipal Debt (old issues), viz :</i>		<i>Municipal Debt (schools), viz :</i>	
7 p. c. bonds, due July, 1896.....	\$1,000	7 p. c. bonds, due July, 1895.....	\$25,000
6 " " due Jan., 1867.....	1,000	7 " " due Jan., 1896.....	25,000
7 " " due Jan., 1874.....	60,000	7 " " due Jan., 1897.....	20,000
20 " " due Jan., 1868.....	1,000	<i>Sewerage Debt, viz :</i>	
6 " " due July, 1878.....	50,000	7 p. c. bonds (1st loan).....	\$413,000
6 " " due July, 1874.....	40,000	6 " " (1st loan).....	87,000
6 " " due July, 1875.....	100,000	7 " " (2d & 3d loans, including	
6 " " due July, 1876.....	100,000	40 bonds charged S. Lind, Treasurer	850,000
<i>Municipal Debt (new issues), viz :</i>		<i>River Improvement Debt, viz :</i>	
7 p. c. bonds, due Dec., 1873.....	\$39,000	7 p. c. bonds, due July, 1890.....	\$163,000
7 " " due Apr., 1881.....	904,500	<i>Water Debt, viz :</i>	
7 " " due Apr., 1885.....	24,000	6 p. c. bonds.....	1,030,000
7 " " due July, 1896.....	25,000	7 " ".....	730,000



## RECAPITULATION.

	1866.	1867.		
Funded debt (old issues).....	\$255,000	\$353,000	Decrease..	\$98,000
“ (new issues).....	960,500	992,500	Increase ..	32,000
School construction debt.....	50,000	70,000	Increase ..	20,000
Sewerage debt.....	1,238,000	1,359,000	Increase ..	121,000
River Improvement debt.....	93,000	163,000	Increase ..	70,000
Water debt.....	1,669,000	1,890,000	Increase ..	221,000
Total funded debt .....	\$4,853,500	\$4,757,500	Increase ..	\$96,000

The floating debt of the city, consisting chiefly of certificates given for temporary loans, payments for schools and sanitary purposes, judgments, water fund, etc.—

Amounted to.....	\$398,926 12
Bills payable (\$4,350), warrants on Treas. (236,114 04), and city orders (\$174 34)	240,683 35
Making a total floating of.....	\$639,564 50

The amount in the treasury at the close of the fiscal year to the credit of the several funds was \$778,990 66. The amount of warrants and city orders outstanding drawn upon the treasury was (as above) \$236,288 38. Net balance to credit, \$542,702 28. It will be seen from the above exhibit that the bonded debt is gradually increasing; and, the Comptroller continues, “if we keep pace with our rapid increase of population, it must continue to increase upon us for many years to come. The water-works will require during the present year (1867–68) not less than \$500,000 to complete the buildings, engines, and improvements that are imperatively demanded. The erection of school buildings, sewerage, river improvements (deepening of the Illinois and Michigan canal), and tunnels, will add, perhaps, \$500,000 to \$800,000, so that at the end of the present fiscal year the bonded debt of the city will not fall much short of \$6,000,000; and when all these improvements shall have been completed, for which bonds are authorized to be issued, the bonded debt cannot vary much from \$10,000,000, of which about \$5,000,000 have been provided for, to be paid by receipts from water, sewerage, sinking fund, and probable State assumption of river improvement bonds. The total city debt at the present time is \$5,397,064 50. Of this sum \$398,926 12 is for temporary loans, viz.: \$222,159 81 for the water works (to be paid from the proceeds of bonds to be issued) and the balance for school purposes (purchase of lots and erecting school buildings) sanitary expenses, judgments, &c.” The rate and amount of tax levied, and the purposes for which levied for the service of the year ending April 1, 1867, were as follows:

Purpose.	Rate.	Amount.	Purpose.	Rate.	Amount.
General fund.....	4½ p. 1,000	\$398,789 68	Sewerage fund.....	2 p. 1,000	\$171,906 50
General sinking fund. 1	“	85,938 25	Street & alley fund ...	2 “	171,906 50
Interest fund.....	1 “	85,938 25	Street lamp fund.....	1½ “	128,929 88
Improvement fund.....	1 “	85,938 25	Temp’y loan fund ....	¾ “	42,976 62
Police fund.....	3 “	257,389 73			
Reform school fund.....	¾ “	42,976 62	Total.....	20 p. 1,000	\$1,719,065 00
School tax fund.....	3 “	257,389 73			

The receipts from general taxes for the year, including \$44,735 64 collected on the tax warrants of 1863 and 1865, amounted to the sum of \$1,559,502 84; the receipts from special assessment warrants, including miscellaneous receipts from the Board of Public Works and other sources, to \$478,540 43; from licenses \$153,858 84; from fines in the police

courts \$81,038 45; from Recorder's court, rents, &c., \$15,580 63, and from a judgment \$25,492 20. Including \$901,863 17 balance from previous year, bills payable \$159,226 11, and bonds \$6,400, the total means of the city treasury amounted to \$4,864,933 44.

The principal disbursements were on account of: Public works \$385,871 17, certificates \$120,575 00; Bridewells and cemetery \$55,227 07; evening schools \$6,957 08; Fire Department \$254,409 41; fuel \$31,217 23; health department \$61,387 86; interest \$100,612 79; judgments \$22,151 11; lamp districts \$120,922 21; permanent improvements \$15,391 13; printing and stationery \$17,585 66; police \$307,811 44; Receiver's court \$28,591 92, redemption \$13,861 18; Reform school \$73,299 99; river improvements \$129,162 37; salaries \$47,247 50; schools \$412,367 55; sewerage \$416,546 48; sewerage, sinking fund, \$20,842 50; special assessments \$685,903 76; tunnel \$19,265 85; water \$666,791 89, &c., &c.—total \$4,085,942 78, leaving in Treasury \$778,990 66.

The following statement gives a summary view of the population, valuation and taxation at the stated periods for the past 30 years:

Year.	Total pop- ulation.		Assessed Valuation.		Valua. Total.		Taxation.		
	R'l Est'te.		Personalty.		p. cap.		Am't.	p. cap.	p. \$100.
1837.....	4,170	\$236,842	\$.....	\$236,842	\$56 80	\$5,905 16	\$1 41	\$2 49	
1840.....	4,479	94,437		94,437	21 15	4,721 85	1 05	5 00	
1843.....	7,580	962,221	479,093	1,441,314	190 14	8,647 89	1 11	0 60	
1845.....	12,088	2,278,171	791,681	3,069,852	258 66	11,777 58	0 91	0 36	
1846.....	14,169	3,664,425	867,281	4,531,706	319 12	15,325 80	1 11	0 32	
1847.....	16,859	4,996,446	863,704	5,860,150	346 96	18,159 01	1 08	0 31	
1849.....	20,022	4,998,266	1,302,174	6,300,440	314 66	22,051 54	1 10	0 35	
1849.....	23,047	5,181,635	1,496,147	6,677,782	246 31	30,045 09	1 30	0 45	
1850.....	29,968	5,685,965	1,554,284	7,240,249	240 97	35,270 87	0 84	0 35	
1853.....	59,130	12,130,677	3,711,154	15,841,831	254 62	135,662 48	2 30	0 80	
1855.....	80,000	21,637,500	5,365,568	26,992,868	337 41	206,209 03	2 58	0 77	
1856.....	84,113	25,892,308	5,943,776	31,836,084	377 30	306,653 39	4 72	1 25	
1860.....	109,260	31,198,165	5,855,377	37,053,542	349 13	373,315 29	3 42	1 01	
1862.....	138,198	31,680,545	5,552,300	37,232,845	268 79	564,038 06	4 08	1 50	
1864.....	169,353	37,148,023	11,584,759	48,732,782	287 75	974,655 64	5 75	2 00	
1865.....	178,492	44,064,499	20,644,678	64,709,177	362 55	1,294,183 54	7 25	2 00	
1866.....	200,418	66,496,116	19,458,134	85,954,250	428 57	1,719,064 00	8 57	2 07	

That Chicago has been gradually growing wealthier, and year by year more able to bear taxation, the above table fully illustrates. In 1850 the valuation was \$240 97, and the taxes 84 cents per capita, or 35 cents on each \$100. By 1860 the valuation had increased to \$349 13, and the taxes 84 cents per capita, or \$1 01 on each \$100. The first years of the late war materially affected the value of property, but in 1864 a reaction was evidenced which continued upward through the next two years, bringing the per capita valuation from \$268 79, as it was in 1862 to \$287 75 in 1864, \$362 55 in 1865, and \$428 57 in 1866. The rate of taxation in 1864, '65 and '66 was \$2 on the \$100, but owing to the movement in population and property, the tax averaged in 1864 \$5 75; in 1865, \$7 25; and in 1866, \$8 57 per capita. The taxes here spoken of are municipal or city taxes purely. The State taxes for 1866 amounted to \$1 28 per capita, and the county taxes (though we have no means at hand to certify our estimate) may be stated at a like rate. These added to the city taxes, will make a total of taxation levied for domestic purposes on the people of Chicago of \$11.13 per capita. And as a matter of course the people bear their share of Federal taxation and customs. In the 1st district of Illinois, which covers Cook County, in which Chicago is loca

ted, there was collected on account of internal revenue for the year 1865-66, the sum of \$6,672,286, from the following sources :

Manufactures and productions.....	\$2,302,168	Licenses .....	\$615,103
Slaughtered animals.....	69,243	Income.....	1,780,760
Gross receipts.....	847,523	Legacies and successions.....	7,180
Sales.....	11,301	Passports, &c .....	235
Articles in schedule A.....	16,863	Penalties, &c .....	71,849

The population of the county in that year may be estimated at 220,000 persons, and hence the federal taxes averaged about \$33 to each inhabitant.

The customs collected in the United States in the same year amounted to \$179,000,000 in gold. The population of the United States in that year was not far from 35,000,000. This gives about \$5 per capita. All these taxes added, viz. : domestic \$11 13, United States internal \$33, and United States customs \$5—make a total of \$49 13 per capita paid by the people of Chicago. Omitting customs, the internal taxes paid are about \$44 per capita.

## COMMERCIAL LAW.—No. 34.

### FIRE INSURANCE (CONTINUED).

(Continued from page 472, vol. 56.)

#### OF THE RISK INCURRED BY THE INSURERS.

At the time of the insurance, the property must be in existence, and not on fire, and not at that moment exposed to a dangerous fire in the immediate neighborhood ; because the insurance assumes that no unusual risk exists at that time.

The risk taken is that of fire. And therefore the insurers are not chargeable if the property be destroyed or injured by the indirect effect of excessive heat ; or by any effect which stops short of ignition or combustion. But if there be actual ignition, the insurers are liable for the immediate consequences ; as the injury from water used to extinguish the fire. Or injury to or loss of goods caused by their removal from immediate danger of fire, even if it be reasonable, and not if the loss or injury might have been avoided by even so much care as is usually given in times of so much excitement and confusion.

In some instances the policies require that the insured should use all possible diligence to preserve their goods ; and such a clause would strengthen the claim for injury caused by an endeavor to save them by removal. So the insurers are liable for injury or loss sustained by the blowing up of buildings to arrest the progress of a fire. But we should say, that if goods were damaged by water thrown on to extinguish a supposed fire when there was none in fact, or by the wholly unnecessary and useless destruction of a house distant from the fire, the insurers should not be held.

It must now be conceded to modern science, that lightning is not fire ; and if property be destroyed by lightning, the insurers are not liable, un-

less there was also ignition ; or unless the policy expressly insures against lightning.

An explosion caused by gunpowder is a loss by fire ; not so, it is said, is an explosion caused by steam. Scientifically, it might be difficult to draw a wide distinction between these cases ; but the difference seems to be sufficient for the law.

Whether when the negligence of the insured or his servants is to be considered as the sole or direct cause of the fire or loss, the insurers can be held, has been somewhat considered. And as this is the most common and universal danger, and the very one which induces most persons to insure, there has been some disposition to say that no measure or kind of mere negligence can operate as a defence. And in effect this is almost the law. But if the loss be caused by negligence of the insured himself, of so extreme and gross a character that it is hardly possible to avoid the conclusion of fraud, the defence might be a good one, although there were no direct proof of fraud. That the fire was caused by the insanity of the insured should be no defence.

In Beaumont's work on Fire and Life Insurance in England, he gives some instances drawn from the practice of English insurance companies, a part of which, at least, rest upon sound principles, and illustrate what is probably the law, although not yet determined by adjudication. Thus, if implements or apparatus used for fire, as ranges, grates, or the like, are destroyed by fire, this loss gives no claim on the insurers. But if the chimney or other parts of the house in which the apparatus is set are injured by the same fire, for this the insurers are liable. He says, also, that where the loss is caused only by an excess of the heat or fire which was designedly used, they are not liable. But we should have some doubt as to this rule ; especially as applied to clothes hung up to dry, and catching fire from the flame, and the like. Nor are we satisfied that, if a haymow takes fire by its own fermentation, it is not a loss within the policy. If quicklime be so heated by water as to set on fire the barrels or other wood near it, it may be said that the lime itself is not burnt, and might not be hurt by being burnt, and, if destroyed by water, is not a loss within the policy ; but we do not think this would be reasonable. And if lime be put in a building, and, by being partially wet and heated, set fire to it, and for the purpose of extinguishing this fire, water is so used as to slack the lime and render it valueless, it would be a loss within the policy, unless we say that no loss gives a claim if the thing destroyed contribute to the loss, proximately or remotely. We are aware of no such rule. Thus, if cotton, by fermentation, ignited and set fire to a mill, undoubtedly the loss of the mill would be within the policy, and so would be the loss of other and disconnected cotton. And perhaps we might say that the loss of the very cotton of which the spontaneous combustion caused the fire should be within the policy.

There are various exceptions in the policies used in this country ; but they have not given rise to much adjudication, and do not generally need explanation. It may be remarked, that the exception of "military or usurped power," or any similar phrase, would not be extended so as to cover a common mob. But if the word "riot" be used, insurers are not liable for a fire caused by a tumultuous assemblage, whatever may have been the original purpose of the meeting.

If the insured be charged with burning the property insured himself, it has been held in England, that this defence could be supported only by evidence which would suffice to convict the plaintiff, if tried upon an indictment. But in this country it has been ruled otherwise.

#### OF VALUATION.

Valuation, precisely as it is understood in a marine policy, seldom enters into a fire policy—never, perhaps, in a policy made by any of those mutual companies, who now do a very large part of the insurance of this country. And quite seldom is a building valued when insured by a stock company. If a loss happens, whether it be total or partial, the insurers are bound to pay only so much of the sum insured as will indemnify the assured. But as care is always taken—and sometimes required by law—not to insure upon any house its whole value, it seldom happens, and if the proper previous precautions are taken, should never happen, that any question of value arises in a case of total destruction of a building by fire.

But mutual companies are usually forbidden by their charter to insure more than a certain proportion of the value of a building; and this requires a valuation in the policy, which is conclusive, for some purposes, against both parties. Of course the insurers can never be held to pay more than the sum insured. And if their charter or by-laws permit a company to insure only a certain proportion of the value, as three fourths—on the one hand, if the company insure more than that proportion, as \$3,500 on property valued at \$4,000, they are held to pay only \$3,000, and the assured cannot show that the building was really worth more than \$4,000; and, on the other hand, the valuation, if not fraudulent, is conclusive against the insurers if the building is destroyed, and they cannot show, in defence, that the building was worth less.

We know nothing to prevent the parties from making a valued policy, if they see fit to do so, although this has been questioned. It is not uncommon for companies who insure chattels, as plate, pictures, statuary, books, or the like, to agree on what shall be the value in case of loss.

Sometimes the policy reserves to the insurers the right to have the valuation made anew by evidence, in case of loss. Then if a jury find a less valuation, the insurers pay the same proportion of the new value which they had insured of the new valuation.

The value which the insurers on goods must pay, is their value at the time of the loss. And it has been held, that a fair sale at auction, with due precaution, will be taken to settle that value after the fire, provided the insurers have reasonable notice or knowledge that the auction is to take place.

The valuation determines the amount which the insurers must pay only in case of total destruction. If the building is only injured by fire, the insurers may either repair it, or pay the cost of repairing it.

#### OF ALIENATION.

Policies against fire are personal contracts between the insured and the insurers, and do not pass to any other party without the express consent of the insurers.

It is essential to the validity and efficacy of this contract that the insured have an interest in the property when he is insured, and also when the loss takes place; for otherwise it is not his loss, and he can have no claim for indemnity. If, therefore, he alienates the whole of his interest in the property before the loss, he has no claim; and if he alienates a part, retaining a partial interest, he has only a partial and proportionate claim.

After a loss has occurred, the right of the insured to indemnity is vested and fixed; and this right may be assigned for value, so as to give an equitable claim to the assignee, without the consent of the insurers. But we should not consider a mere assignment or conveyance of the premises as of itself an assignment of the right to recover on a policy of insurance for a previous loss, unless something in the contract, either of word or fact, showed clearly that this was intended by the parties.

Policies against fire contain a provision, that an assignment of the property, or of the policy, shall avoid the policy. So, generally, it is hardly worth while to inquire what right an assignee, without consent, would acquire at common law, or in equity, where there is no such provision. We think, however, that the weight of authority is strongly, though not conclusively, against his acquiring any claim. There seems to be some difference between fire policies and marine policies on this subject, the necessity of consent being held more strongly in the case of fire policies; but it is not easy to see a very good reason for this difference.

Nothing is properly an alienation of the property, which is less than an absolute conveyance of the title thereto. It has been held, that a sale by one joint owner of his interest in the property to the other, does not avoid the policy. But the weight of authority is, that generally such sale avoids the policy. An assignment by one partner of his interest in the partnership property to the other, is held to prevent a recovery in case of loss. But a dissolution of the partnership before loss, and a division of the goods, so that each partner owned distinct portions, was held to be in violation of a condition against "any transfer or change of title in the property insured."

Where an insured conveyed half the premises in fee, taking back a lease of the same for five years at a nominal rent, and agreeing to keep and leave the premises in repair, it was held to be an alienation, although the insured would have been bound, as lessee, to rebuild. Where the insured mortgaged the premises and assigned the policy to the mortgagee, with the consent of the insurer, and afterwards conveyed the premises away, it was held that the policy remained valid as to the mortgagee, and for the amount of the debt, on the ground that the insured could do nothing to affect the rights of the assignee without his consent. In this case it was also held, that payment of an assessment after the property is burned does not remove the effect of an alienation.

A conveyance by one insured intended to secure a debt, will be treated in a court of equity as a mortgage, and therefore it does not terminate the interest of the insured. A contract to convey is not an alienation. Nor is a conditional sale, where the condition must precede the sale, and is not yet performed. Nor is a mortgage, not even after breach, and perhaps entry for a breach, and not until foreclosure. Nor selling and immediately taking back. But bankruptcy is said to be an alienation; and if there were a voluntary assignment by one insured to his assignee in trust,

it should operate so, as much as a direct transfer to creditors. There are reasons, however, for drawing a distinction between such a case, and one where the law takes possession of property insured for creditors; at least, we should say that, in such case, the insurance might remain valid until the assignees or commissioners sold the property. If several estates are insured in one policy, and one or more are aliened (or conveyed away), the policy is void as to those only which are aliened. If many owners are insured in one policy, a transfer by one or more to strangers, without the act or concurrence of the other owners, will avoid the policy for only so much as is thus transferred.

Policies of insurance are not negotiable—that is, not assignable in such way as to give to the assignee a right of action in his own name—in most of our States. But the moral or equitable interest of the transferee will sustain a promise by the insurers to him, and if such express promise be made, on this he may bring his action. If he brings it in the name of the assignor, it must, generally at least, be subject to all the defences which the insurers could make against the assignor. It is possible that there should be some qualification of this rule. Undoubtedly, no insured party can make a transfer which shall operate injuriously on the insurers, and yet preserve the rights so transferred. On the other hand, if he, by the terms of the policy, may transfer it with the consent of the insurers, and after such transfer and consent the originally insured fraudulently burns the building, there would be strong reasons for holding the insurance still valid, in favor of the innocent transferee. Perhaps the question would turn upon this: Did the transferee pay, or assume the obligation of paying, or guarantee the payment, of any premiums? If so, he should be held insured, although the terms of the policy and transfer might oblige him to bring his action in the name of the incendiary. Where possible, such transfer, with such consent, would undoubtedly be regarded by the courts as a new and independent contract with the transferee.

An alienation, or even actual surrender of the policy, does not avoid the premium note, or the obligation of the insured to pay his share of the previous losses. If, therefore, after an alienation, the insurers, with full knowledge of it, demand and receive from the insured payments on such account, it is no waiver of the forfeiture of the policy caused by the alienation. From some cases it would seem that, if the insurers called for and received payments accruing subsequently, it would not revive their obligation, on the ground that the policy is so completely annulled by the alienation, that it cannot be revived by any waiver. But we should have much doubt of this. If the insurers expressly waived the forfeiture, it would make them responsible to the transferee.

In practice, care should be taken to have all such transfers regularly made and notified, and the consent obtained fully authorized, and duly indorsed or certified, and all the rules or usages of the insurers in this respect complied with.

Where one insured against fire recovered of his insurers for a loss caused by a railroad company for which the railroad company was liable to the insured, it was held that this operated as an equitable assignment to the insurers of the claims of the insured against the railroad company; and the insurers might enforce this by a suit in the name of the insured.

## OF NOTICE AND PROOF.

Where the policy requires a certificate of the loss, the production of it is a condition precedent to any claim for payment. And it must be such a certificate as is required; but a substantial compliance with its requirements is sufficient. So, too, if the notice is to be given forthwith, there must be no unreasonable or unnecessary delay. And all the circumstances of the case are considered, in determining whether there was or was not due diligence. A notice of a loss, which was required by the policy to be given "forthwith," and was in fact given thirty-eight days after a loss, has been held insufficient. But circumstances may justify a longer delay. Where a certificate is required to be furnished "as soon as possible," it is still sufficient if it be furnished within a reasonable time. But where the fire took place in November, and the account of loss was not furnished till the March following, it was held not to be a compliance with the conditions. Generally, this is a question for the jury.

In fire policies, as the premises may be supposed always open to the inspection of the agents of the insurers, a general notice of the fire will probably be enough.

If the assured has assigned the policy with consent, the assignee may give the notice; and if he does, the neglect of the original insured to give notice does not prejudice the assignee.

The insurers may waive their right of notice wholly or partially. And they may do this expressly, or by any acts which fairly indicate to the insured that they accept an imperfect notice given to them, or that they do not need and do not require that any notice should be given, or that they have taken the matter into their own hands, and have made inquiries, and obtained all the information possible. And a refusal "to settle the claim in any way," has been held to supply a good excuse for not offering notice.

The preliminary proofs, by which is meant affidavits, certificates, statements, etc., setting forth the loss and its circumstances, though required by the policy, are not admissible as evidence as to the damages or amount of claim. If it were provided in the policy that they might be so used, this would make them evidence, but we are not aware that this is ever said expressly, and it cannot be inferred from the mere requirement of them.

If the policy provide that the assured shall, if required, submit to an examination under oath, the insurers are not bound by his statement under oath; but if he be duly required, and therefore submit himself to an examination under oath, he cannot afterwards be required to submit to further examination under oath.

## OF ADJUSTMENT AND LOSS.

Insurers against fire are not held to pay for loss of profits, gains of business, or other indirect and remote consequences of a loss by fire. We do not know, however, why profits may not be specifically insured against fire, where it is not forbidden by, or inconsistent with, the charter of the insurers.



There is one wide difference between the principle of adjustment of a marine policy and of a fire policy. In the former, if a proportion only of the value is insured, the insured is considered as his own insurer for the residue, and only an equal proportion of the loss is paid. Thus if, on a ship valued at \$10,000, \$5,000 be insured, and there is a loss of one-half, the insurers pay only one-half of the sum they insure, just as if some other insurer had insured the other \$5,000. But in a fire policy, the insurers pay in all cases the whole amount which is lost by fire, provided only that it does not exceed the amount which they insure.

It is said that general average clauses or provisions are inserted in fire policies in England; but they are not known here. Still, in one case, the principle of general average was partially applied. Blankets were used by the insured, with the consent of the insurers, to protect a building from a near fire; they did this effectually, but were themselves made worthless, and an action of the insured against the insurers for this loss was sustained by the court. But the owners of other buildings in the neighborhood, who might have been protected by the use of the blankets, were thought to be too remotely interested to be liable to contribution.

As a contract of fire insurance is an entire one, if the policy ever attaches, there should be no return of premium, although the property be destroyed the day after, and not by fire; as by demolition by whirlwind, or other similar accident. If, however, there were an insurance on goods believed to be at a certain place, at a certain time, and none of them were there, there might be an entire return of premium, because there was never any insurance. But if a part were there, there should be no partial return; because the rule that, where a part only is insured, only a proportionate part is paid by the insurers in case of loss, applies only to marine policies, as stated above.

Most of the fire policies used in this country give the insurers the right of rebuilding or repairing premises destroyed or injured by fire, instead of paying the amount of the loss. If, under this power, the insurers rebuild the house insured, at a less cost than the amount they insure, this does not exhaust their liability; they are now insurers of the new building for the difference between its cost and the amount they have insured. And if the new building burns down, or is injured while the policy continues, the insurer may claim so much as, added to the cost already incurred, shall equal the sum for which he was insured.

It may be important to add that, under our common mutual policies, the insured will also be liable for assessments for losses after the destruction of the building by fire, during the whole term of the policy.

There is no rule in fire insurance similar to that which makes a deduction, in marine insurance, of one-third, new for old. Still the jury, to whom the whole question of damages is given, are to inquire into the greater value of a proposed new building, or of a repaired building, and assess only such damages as shall give the insured complete indemnity.

Where insurers had reserved a right to replace articles destroyed, and the insured refused to permit them to examine and inventory the goods that they might judge what it was expedient for them to do, Chancellor Walworth refused to aid the insurers in a court of equity; but such con-

duct on the part of the insured would be evidence to the jury of great weight to prove an overstatement of loss.

If, after the adjustment and payment, there appears to have been fraud in the original contract, or in the adjustment, or material mistake of fact, it would seem that money paid may be recovered back; but not so if the mistake be of law.

If the policy contains a provision that any fraud in the claim, or any false swearing or affirmation in support of it, shall avoid the policy (as is frequently the case in England), it would seem that it would be left to the jury to say whether there was any material and substantial fraud connected with the matter, and if so, to find for the insurers.

From the present state of the authorities, it may be stated, as a general rule, that the law allows no claim upon the proceeds of policies of fire insurance in favor of any third parties, unless there be a bargain or contract, or a trust, to that effect. Thus, a tenant cannot compel his landlord to expend money received from an insurance office, on the demised premises being burnt down, for rebuilding them, nor prevent the landlord from suing for the rent until the premises are rebuilt, if, by the terms of the lease rent is due although the building is burned.

(To be Continued.)

### TOLEDO, WABASH AND WESTERN RAILROAD.

The Toledo, Wabash and Western Railway Company is a consolidation of the Toledo and Wabash, the Great Western of 1859, the Quincy and Toledo, and the Illinois and Southern Iowa Companies—these organizations being merged into one by articles of consolidation duly ratified and confirmed July 1, 1865. In pursuance of this consolidation the present company is now operating a great, direct through line of railway, commencing at Toledo, Ohio, and terminating at Quincy, Ill., and Keokuk, Iowa, with a branch running to Naples, on the Illinois River, making the entire length of road (including 22 miles [leased] of the Chicago, Burlington and Quincy Railroad) about 520.6 miles. Of the main line 75.5 miles are in Ohio, 166.9 miles in Indiana, and 211 miles in Illinois. The Keokuk Branch has a length of 41.2 miles, and the Naples Branch a length of 4.0 miles. Total length owned by the company 498.6 miles. The share capital of the company now amounts to \$6,700,000, as follows:

General stock—57,000 shares.....	\$5,700,000
Preferred stock—10,000 shares.....	1,000,000
<b>Total share capital .....</b>	<b>\$6,700,000</b>

Below we give a statement of the funded debt of the consolidated company, showing a total of \$13,300,000:

	Bonds.	Interest.	Due.	
7 p. c. 1st mort., (To. & Ill. RR., 75.5 m.).....	Feb. & Aug. 1894.....		\$900,000	
7 do (L.E. W. & St. L. RR., 166.9 m.).....	do 1890.....		2,500,000	
7 do (Gt. W. RR., E. Div., 81.0 m.).....	do 1895.....		45,000	
10 do (do W. Div., 100.0 m.).....	Apr. & Oct. 1893.....		1,000,000	
7 do (Gt. W. RR. of '59, 181.0 m.).....	Feb. & Aug. 1893.....		1,455,000	
7 do (Q. & Tol. RR., 34.0 m.).....	do 1890.....		500,000	
7 do (Ill. & So. Iowa RR., 41.2 m.).....	do 1893.....		300,000	
7 p. c. 2d mort., (To. & W. RR., 75.5 m.).....	May & Nov. 1878.....		1,000,000	
7 do (Wab. & W. RR., 166.9 m.).....	do 1878.....		1,500,000	
7 do (Gt. W. RR. of '59, 181.0 m.).....	do 1893.....		2,500,000	
7 p. c. Equipm't, (To. & W. Rwy., 242.4 m.).....	Apr. & Oct. 1893.....		600,000	
7 p. c. St'g fund, (T., W. & W. Rwy., 498.6 m.).....	do 1871.....		1,000,000	
<b>Total funded debt on 498.6 miles of road.....</b>			<b>\$13,300,000</b>	

With the exception of \$1,000,000, the bonds named in the above list cover only sections of the present road; and it being deemed for the interest of all parties that these various classes issued by and bearing the titles of the several corporations now represented by this company, shall be consolidated into one and the same mortgage debt, the Board of Directors have decided to create and issue its coupon bonds, entitled "Consolidated Mortgage Sinking Fund Convertible Bonds," of sufficient amount and for the purpose of retiring all of these outstanding securities. To secure the payment of the principal and interest it is proposed that a mortgage shall be executed, covering the entire real and personal property of the company from Toledo to the Mississippi, to constitute the first mortgage lien upon the consolidated property of the Company. For the purpose of giving these consolidated bonds a special advantage and value, the mortgage securing them will not only embrace the entire amount of property pledged for the old bonds, but a large and valuable amount heretofore entirely free and unincumbered, besides original liens upon important contracts, accessions and franchises more recently acquired. The time and conditions for the exchange of these bonds will soon be made known.

The gross earnings of the road for the half fiscal year ending December 31, 1865, and for the full year 1866, together with the operating expenses during the two periods, are presented in the annexed statement, viz.:

	July to Dec. 1865	Jan. to Dec. 1866
Passenger transportation.....	\$596,963 08	\$1,322,946 78
Freight .....	1,020,368 88	2,209,437 35
Mail .....	26,000 00	52,000 00
Express .....	49,042 10	98,345 17
Miscellaneous .....	40,846 59	34,766 92
Gross earnings.....	\$2,033,109 15	\$3,717,396 22
Roadway—renewals.....	\$109,017 80	\$341,061 79
“ —maintenance.....	338,034 86	694,066 25
Cars, engines, &c.—maint’ce.....	276,887 12	556,605 78
General expn’s transp’t’n &c.....	762,553 98	2,111,186 50
Residuary income .....	\$545,670 86	\$906,199 72

The revenues of the company have been very seriously impaired in consequence of the disasters to the wheat crop during the past two years throughout the entire extent of country traversed by the road. In evidence of the nature and extent of this loss, it may be stated that the falling off in the tonnage of wheat and flour during the 18 months covering the company's report, as compared with the same period of previous years, is equal to 1,500,000 bushels, the earnings upon which would have been \$660,000. It is to this unlooked for misfortune the directors attribute their inability to declare satisfactory dividends on capital. The increase in each and all other branches of traffic upon the road as compared with previous years has been marked and encouraging. The coal and lumber business especially indicate a remarkable growth and promise to become the most permanent and productive sources of revenue.

The company have eleven engine houses and 102 stations on the line of their road. The equipment now consists of 102 locomotives, 47 passenger cars, 1,040 box freight cars, 27 mail and baggage cars, 275 stock cars, 200 platform cars, and 150 coal cars. The whole number of passengers carried in the six months of 1865 was 366,525, and in the year 1866,

624,378. The amount of freight carried in the two periods was as follows:

		July-December, 1885.			Jan.-December, 1886.		
		Eastw'd.	Westw'd.	Total.	Eastw'd.	Westw'd.	Total.
Grain .....	bushels	1,070,193	1,06,693	1,226,886	3,910,271	394,713	4,304,984
Cattle .....	cars	3,000	75	3,075	7,245	139	7,384
Hogs .....	cars	969	143	1,112	2,972	398	3,370
Lumber .....	1,000 feet	3,969½	16,585½	21,505	4,615	23,591	28,206
Sundries .....	tons	47,637	79,214	117,571	120,284	141,075	261,359
Freight earnings .....		\$529,075	\$491,121	\$1,020,196	\$1,299,124	\$910,303	\$3,209,427

The Income account, showing the residuary balances for the eighteen months since consolidation and other receipts as per Treasurer's books, and the disbursements on account of renewals, construction, equipment &c., charged thereon, supplies the following summary:

DEBTOR.		CREDITOR.	
Locomotives, cars, tools, &c. ....	\$237,541 10	Balance Dec. 31, 1885. ....	\$545,670 89
Construction .....	316,433 90	" " 1886. ....	906,199 72
Interest account .....	1,235,180 37	Supplies from old comp'ies. ....	102,548 64
Profit & Loss—Discount, &c. ....	201,841 23	Sinking Fund Bonds .....	1,000,000 00
Tol. Wab. & Western R. Co. ....	17,016 63		\$2,554,419 5
Ill. & So. Iowa, R.R. Co. ....	129,807 07	Surplus income .....	273,599 00
Total .....	\$2,280,820 25	Total .....	\$2,280,820 25

The Treasurer's General Balance Sheet of December 31, 1886, reads as follows:

DEBTOR.		CREDITOR.	
Railway & equipment .....	\$19,850,000 00	Capital Stock .....	\$6,700,000 00
Trustees .....	1,196,000 00	Funded Debt .....	13,800,000 00
Materials & fuel on hand .....	303,014 07	Coupons of 1885 & 1886. ....	42,284 75
U. S. Post office, &c. ....	30,509 81	Balance of Income acc't. ....	273,599 00
Wabash Elevator Stock .....	10,000 00	Cash and Bank account .....	71,790 53
Sundries .....	24,776 33	Treasurer's Equalization account ..	665,726 19
Equalization account .....	700,800 27	Bills payable .....	15,500 00
Total .....	\$22,112,900 47	Total .....	\$22,112,900 47

The general account current (covering the whole period since the consolidation) shows the amount of money received from all sources, and what disposition was made of the same, as follows:

RECEIPTS.		DISBURSEMENTS.	
Net earnings (6 mos.) 1885 .....	\$545,670 89	Equipment .....	\$237,541 10
do (12 mos.) 1886 .....	906,199 72	Construction .....	316,433 90
Sinking fund, bonds issued .....	1,000,000 00	Interest on bonds, &c. ....	1,235,180 37
'reas. on equalizat'n acc't. ....	665,726 19	Ill. & Southern Iowa R.R. ....	129,807 27
Bills payable .....	15,500 00	Discount on bonds, &c. ....	201,841 27
Bank ac't (overdrafts) ...	\$71,790 53	Equalization account .....	700,800 24
Less dues from U. S., &c. ....	55,596 13—	Advanced for wood and supplies ..	200,465 43
	18,204 40	Toledo & Wabash R.R. Co. ....	17,016 63
Total .....	\$3,149,301 20	Wabash Elevator stock .....	10,000 00
		Total .....	\$3,149,301 20

It will be seen from this statement that the company, after promptly paying the interest upon each and every class of its funded obligations, including the dividends upon its preferred stock, closes with the year in a sound financial condition, and without any floating debt or outstanding liability whatever.

The monthly range of prices at which the stocks of the consolidated com-

panies sold at New York in the year 1866 are given in the following statement:

	General.	Preferred.		General.	Preferred.
January .....	43 @42	.....@.....	July.....	35 @40	61 @51
February.....	31 @40	.....@.....	August.....	39 @47½	67½ @70
March.....	31½ @38	.....@.....	September.....	43½ @46½	71 @73½
April.....	32 @39	63 @63	October.....	44 @45	73 @75
May.....	33½ @37½	.....@.....	November.....	40 @54½	73 @75½
June.....	35 @36	.....@.....	December.....	40½ @45½	.....@.....

—range during the year—general 31@55, and preferred 61@75½. On the 1st of June current the closing quotations were—general 41½, and preferred 62.

## RAILWAY EXTENSION AND ITS RESULTS.

BY R. DUDLEY BAXTER, M.A.\*

### I.—INTRODUCTION.

If a Roman emperor, in the most prosperous age of the empire, had commanded a history to be written of that wonderful system of roads which consolidated the Roman power, and carried her laws and customs to the boundaries of the accessible world, it would have afforded a just subject for national pride. The invention and perfecting of the art of road making, its sagacious adoption by the State, its engineering triumphs, its splendid roads through Italy, through Gaul, through Spain, through Britain, through Germany, through Macedonia, through Asia Minor, through the chief Islands of the Mediterranean, and through Northern Africa; all these would have been recounted as proofs of Roman energy and magnificence, and as introducing a new instrument of civilization, and creating a new epoch in the history of mankind.

A similar triumph may fairly be claimed by Great Britain. The Romans were the great Road-makers of the ancient world—the English are the great Railroad-makers of the modern world. The tramway was an English invention, the locomotive was the production of English genius, and the first railways were constructed and carried to success in England. We have covered with railroads the fairest districts of the United Kingdom, and developed railways in our colonies of Canada and India. But we have done much more than this, we have introduced them into almost every civilized country. Belgian railways were planned by George Stephenson. The great French system received an important impulse from Locke. In Holland, in Italy, in Spain, in Portugal, in Norway, in Denmark, in Russia, in Egypt, in Turkey, in Asia Minor, in Algeria, in the West Indies, and in South America Englishmen have led the way in railway enterprise and construction. To this day, wherever an undertaking of more than ordinary difficulty presents itself, the aid is invoked of English engineers, English contractors, English navvies, and English shareholders; and a large portion of the rails with which the line is laid, and the engines and rolling stock with which it is worked are brought from England.

\* Read before the Statistical Society of London November, 1866

To Englishmen the annals of railways must always be of the highest interest, and I trust that the brief inquiry upon which I am about to enter will not be deemed a waste of labor. I propose to examine into the extension of railways at home and abroad; to show the rate at which it is proceeding; the expenditure which it has cost; and its vast commercial results. The practical questions will follow whether the construction of Railways in the United Kingdom has reached its proper limit? Are we over-railroaded, as some assert, so that railways ought to be discouraged? Or are we under-railroaded, so that fresh railways ought to be invited? Are other nations passing us in the race of railway development? And, lastly, can any improvement be introduced into our railway legislation?

## II.—RAILWAYS IN THE UNITED KINGDOM.

So far as roads are concerned, the dark ages may be said to have lasted from the evacuation of Britain by the Romans in 448, to the beginning of the last century. During the whole of that period nothing could be more barbarous or impassable than English highways. The Scotch rebellions first drew attention to the necessity of good roads. The first step was to establish turnpikes, with their attendant waggons and stagecoaches; superseding the long strings of packhorses which, up to that time, had been the principal means of transport. The second step was to render navigable the rivers which passed through the chief seats of industry. The third, which commenced later in the century, was to imitate the rivers by canals, and to construct through the north and centre of England a net work of 2,600 miles of water communication, at an outlay of £50,000,000 sterling. But roads and canals combined were insufficient for the trade of Lancashire and Yorkshire, and bitter complaints were made of expense and delay in the transmission of their goods.

The desired improvement came from the mining districts. Since the year 1700 it had been the custom to use wooden rails for the passage of the trucks. About the year 1800 Mr. Outram, in Derbyshire, laid down iron rails upon stone sleepers, and the roads so constructed took from him the name of Outram's Ways or Tramways. About the year 1814, the ingenuity of mining engineers developed the stationary steam-engine into a rude locomotive, capable of drawing heavy loads at the rate of four or five miles an hour. It was proposed to construct a public railway on this principle between Stockton and Darlington. After much delay the line was opened by George Stephenson in 1825, and the experiment was successful as a goods line—unsuccessful, from its slowness, as a passenger line. The next experiment was the Manchester and Liverpool Railway, projected as a goods line to accommodate the increasing trade of those two places, which was crippled by the high rates of the canal and navigation. Before the railway was completed, another great improvement had taken place in the construction of locomotives by the discovery of the multitubular boiler, which immensely increased the volume of steam, and the speed attainable.

The opening of the Manchester and Liverpool Railway on 15th September, 1830, was the formal commencement of the railway era. On that day the public saw for the first time immense trains of carriages loaded,

with passengers, conveyed at a rate of more than fifteen miles an hour, a speed which was largely exceeded in subsequent trials. The desideratum was at length obtained, viz., the conveyance of large masses of passengers and goods with ease and rapidity; and it was seen that the discovery must revolutionize the whole system of inland communication.

The public feeling was strangely excited. Commercial men and men of enterprise were enthusiastic in favor of the new railways and eager for their introduction all over the country. But the vested interests of roads and canals, and landed proprietors who feared that their estates would be injured, together with the great body of the public, were violently prejudiced against them. Railways had to fight their way against the most strenuous opposition. I quote from the "Life of Robert Stephenson," the engineer of the London and Birmingham line:

"In every parish through which Robert Stephenson passed, he was eyed with suspicion by the inhabitants, and not seldom menaced by violence. The aristocracy regarded the irruption as an interference with territorial rights. The humbler classes were not less exasperated, as they feared the railway movement would injure those industrial interests by which they lived. In London, journalists and pamphleteers distributed criticisms which were manifestly absurd, and prophecies which time has signally falsified."—Vol. i, p. 169.

The city of Northampton was so vehement in its opposition, that the line was diverted to a distance of five miles, through the Kilsby Tunnel, to the permanent injury both of the city and railway. The bill was thrown out in Parliament, and only passed in the following session by the most lavish expenditure in buying off opposition.

Other lines were soon obtained in spite of the same vehement hostility. The Grand Junction Railway from Liverpool to Birmingham, was passed in 1833. The Eastern Counties Railway was sanctioned in 1834. It was launched as a 15 per cent. line. It is said that a wealthy banker in the eastern counties made a will, leaving considerable property to trustees to be expended in parliamentary opposition to railways. The Great Western was thrown out in 1834, but passed in 1835. The London and Southampton, now the London and South Western, was proposed in 1832, but was not sanctioned till 1834.

In 1836 came the first railway mania. Up to this time the difficulty had been to pass any bill at all, now competing schemes began to be brought before Parliament. Brighton was fought for by no less than five companies, at the total expenditure of £200,000. The South Eastern obtained its act after a severe contest with the Mid Kent and Central Kent. Twenty-nine bills were passed by Parliament authorising the construction of 994 miles of railway. In the autumn the mania raged with the greatest violence. "There is scarcely," said the Edinburgh Review, "a practicable line between two considerable places, however remote, that has not been occupied by a company; frequently two, three or four rival lines have started simultaneously." The winter brought a crash, and the shares of the best companies became almost unsaleable.

In 1845 most of the great lines had proved a success. The London and Birmingham was paying 10 per cent., the Grand Junction 11 per cent., the Stockton and Darlington 15 per cent., and railway shares were on an average at 100 per cent. premium. The railway mania broke out

with redoubled violence; railways appeared an El Dorado. The number of miles then open was 2,148. The number of miles sanctioned by Parliament in the three following sessions was :

1845.....	2,700
1846.....	4,538
1847.....	1,854
Total .....	8,592

Had all these lines been constructed, we should have had in 1852 more than 10,700 miles of railway, a number which was not actually reached till 1861, or nine years later. But the collapse in 1846 was so severe that an act was passed for the purpose of facilitating the dissolution of companies, and a large number of lines were abandoned, amounting, it is said, to 2,800 miles.

Railway extension was now menaced with a new danger. The effect of the panic was so great, and the losses on shares so severe, that the confidence of the public was destroyed. Besides this, as the new lines were opened, the dividends gradually decreased till the percentage of profit on capital had gone down from  $5\frac{1}{2}$  per cent. in 1845 to  $3\frac{1}{2}$  in 1849 and  $3\frac{1}{2}$  in 1850, leaving scarcely anything for ordinary shareholders. As a consequence, shareholders' lines were at an end. But since 1846 a new custom had been gaining ground of the amalgamation of smaller into larger companies. I may instance the North Eastern Company, which consists of twenty-five originally independent railways. In this manner eleven powerful companies had been formed, which divided the greater part of England between them. The competition between these companies for the possession of the country was very great, and by amalgamations, leases, guarantees, and preference stocks, they financed a large number of lines which otherwise could not be made. In this manner the construction of railways between 1850 and 1858 progressed at the rate of nearly 400 miles a year.

But towards the end of 1858 the great companies had exhausted their funds and ardor, and proposed terms of peace. The technical phrase was "that the companies required rest." Again it seemed probable that railway extension would be checked. But a new state of things arose. Twenty years of railway construction had brought forward many great contractors, who made a business of financing and carrying through lines which they thought profitable. The system had grown up gradually under the wing of the companies, and it now came to the front, aided by a great improvent in the value of railway property, on which the percentage of profits to capital expended had gradually risen from  $3\frac{1}{2}$  per cent. in 1850 to  $4\frac{1}{2}$  in 1860. The companies also found it their interest to make quiet extensions when required by the traffic of the country. Thus railway construction was continued in the accelerated ratio of more than 500 miles a year. The following table gives a summary of the rate of progress from 1845 to 1865:—



## UNITED KINGDOM—MILES CONSTRUCTED.

Year.	Miles Opened.	Average Number Opened per An.
1834.....about	200	133
1840....."	1,300	240
1845.....	2,440	812
1850.....	6,500	367
1855.....	8,335	425
1860.....	10,484	571
1865.....	13,289	

During the same year the percentage of profits to capital expended were as follows:—

	Per cent.		Per cent.
1845.....	5.48	1860.....	4.39
1850.....	3.81	1865.....	4.46
1855.....	3.90		

The latter table, which is abridged from an annual statement in *Herepath's Journal*, scarcely gives an idea of the gradual manner in which the dividends sank from their highest point in 1845 to their lowest in 1850, and of their equally gradual recovery from 1850 to 1860 and 1865. The main result of the two tables are, first, the close connection between the profit of one period and the average number of miles constructed in the next five years; and, second, the fact that the construction of railways in the United Kingdom has been steadily increasing since 1855, and is now more than 500 miles per annum.

The number of miles authorized by Parliament during the last six years is stated in the *Railway Times* to be as follows:—

Year.	Miles.	Year.	Miles.
1861.....	1,332	1864.....	1,329
1862.....	809	1865.....	1,996
1863.....	795	1866.....	1,669
			7,323
Average.....			1,220

Hence the miles authorized by Parliament for the last six years have been double the number constructed; and there must be about 3,500 miles not begun or not completed—a number sufficient to occupy us for fully seven years, at our present rate of construction.

Such is a brief summary of the history of railway extension in Great Britain and Ireland. It may be thrown into five periods:—

1. The period of experiment, from 1820 to 1830.
2. The period of infancy, from 1830 to 1845.
3. The period of mania, from 1845 to 1848.
4. The period of competition by great companies, from 1848 to 1859.
5. The period of contractor's lines and companies' extensions, from 1859 to 1865.

### III.—DISTRIBUTION OF RAILWAYS IN THE UNITED KINGDOM.

The returns of the Board of Trade to the end of 1865 give the following distribution of the 13,289 miles then open :—

	Double Lines.	Single Lines.	Total Miles Open.
England and Wales.....	6,081	8,170	• 9,251
Scotland.....	946	1,254	2,200
Ireland.....	476	1,363	1,838
	<hr/> 7,508	<hr/> 5,786	<hr/> 13,289

Hence there is a considerable preponderance of double lines over single lines in England, and of single lines over double in Scotland and Ireland.

The following table shows which country has the greatest length of railways in proportion to its area :—

	Area in Square Miles.	Railway Mileage.	Square Miles per Mile of Railway.
England and Wales.....	57,812	9,251	6.25
Scotland.....	30,715	2,200	14.
Ireland.....	32,512	1,838	17.7

So that England and Wales have a mile of railway for every six and a half square miles of country, being the highest proportion in the world, while Scotland has less than half that accommodation, and Ireland little more than one-third.

The following table shows which country has the greatest length of railway in proportion to population :—

	Population in 1860.	Railway Mileage.	Population per Mile of Railway
England and Wales.....	20,228,497	9,251	2,186
Scotland.....	3,096,308	2,200	1,409
Ireland.....	5,850,309	1,838	• 3,152

So that Scotland, a thinly inhabited country, has the greatest railway mileage in proportion to her population, and we shall afterwards find that she stands at the head of all European countries in this respect.

The manner in which this railway mileage is distributed through England deserves some attention. A railway map will show that the general direction of English lines is towards the metropolis. London is a centre to which nearly all the main lines converge. Every large town is, in its degree, a centre of railway convergence. For example, look at the lines radiating from Leeds, from Hull, from Birmingham, or from Bristol. But all those lesser stars revolve, so to speak, round the metropolis as a central sun.

A great deal may be learned of the character and political state of a country from the convergence of its railway lines. Centralising France concentrates them all on Paris. Spain, another nation of the Latin race, directs her railways on Madrid. Italy shows her past deficiency of unity, and want of a capital, by her straggling and centreless railroads. Belgium is evidently a collection of co-equal cities without any preponderating focus. Germany betrays her territorial divisions by the multitude of her railway centres. Austria, on the contrary, shows her unity by the

convergence of her lines on Vienna. The United States of America prove their federal independence by the number of their centres of radiation.

The national character of the English nation may be traced in the same way. Though our railways point towards London, they have also another point of convergence—towards Manchester and the great port of Liverpool. The London and North Western, the Great Northern (by the Manchester, Sheffield and Lincolnshire line), the Great Western and the Midland run to Manchester and Liverpool from the south. The Manchester, Sheffield and Lincolnshire railway, the London and North Western Yorkshire and Carlisle lines, and the network of the Lancashire and Yorkshire Company converge on them from the east and north. The London and North Western Welsh railways and the Mid Wales and South Wales lines communicate with them from the west. Thus our railway system shows that Manchester and Liverpool are the manufacturing and commercial capitals of the country, as London is its monetary and political metropolis, and that the French centralization into a single great city does not exist in England.

It remains to describe the great systems into which the English railways have been amalgamated. There are in England twelve great companies, with more than £14,000,000 each of capital, which in the aggregate comprises nearly seven-eighths of our total mileage and capital. They divide the country into twelve railway kingdoms, generally well defined, but sometimes intermingled in the most intricate manner. They may be classified into the following seven districts:—

	Miles Open.	Capital Expended.
1. <i>North Western District</i> —London and North Western Railway.....	1,308	£53,210,000
2. <i>Midland District</i> —Midland Railway.....	677	26,103,000
3. <i>North Eastern District</i> —Great Northern Railway... North Eastern Railway .....	422 1,121	18,200,000 41,158,000
4. <i>Mersey to Humber District</i> —Lancashire and Yorkshire Railway..... Manchester, Sheffield and Lincolnshire Railway...	403 246	21,114,000 14,113,000
5. <i>Eastern District</i> —Great Eastern Railway.....	709	23,574,000
6. <i>South Eastern District</i> —South Eastern Railway... London, Chatham and Dover Railway..... London and Brighton Railway.....	319 175 294	18,626,000 14,768,000 14,561,000
7. <i>South Western District</i> —London and South Western Railway..... Great Western Railway.....	500 1,292	16,864,000 47,680,000
Total.....	7,564	£309,421,000

In Scotland there are three great companies:—

	Miles Open.	Capital Expended.
1. <i>South East Coast</i> —North British Railway.....	732	£17,802,000
2. <i>Central District</i> —Caledonian Railway.....	561	14,797,000
3. <i>South West Coast</i> —Glasgow and South Western....	249	5,603,000
Total.....	1,542	£38,202,000

which include three-fourths of the whole mileage and capital of Scotch railways.

In Ireland there are only two large companies :—

	Miles Open.	Capital Expended.
1. <i>South Western District</i> —Great Southern and Western	420	£5,712,000
2. <i>Midland District</i> —Midland Great Western.....	260	3,625,000
Total.....	680	£9,337,000

which embrace rather more than two-fifths of the capital and mileage.

The above figures are taken from *Herepath's Railway Journal*, made up very nearly to the present time.

The following table shows the average gross receipts and net profits, for three years, for the United Kingdom, and also the dividends paid on ordinary stock in the above great companies, except the London, Chatham and Dover :—

AVERAGE RECEIPTS AND DIVIDENDS PER CENT.

	1857.	1861.	1865.
Gross receipts.....	7.87	8.27	8.57
Net profits.....	4.19	4.30	4.46
<i>Dividends of Great Companies :</i>			
12 English.....	4.00	4.45	4.65
3 Scotch.....	4.55	4.90	5.70
2 Irish.....	5.00	5.00	3.56
Average dividends....	4.51	4.78	4.64

IV.—COST OF RAILWAYS IN THE UNITED KINGDOM.

The total capital authorized and expended, up to the end of 1865, is given in the Board of Trade Returns, as follows, including the companies estimated for who have not made a return.

CAPITAL AUTHORIZED.

Shares.....	£484,457,000
Loans.....	143,988,000
Total.....	£578,425,000

CAPITAL EXPENDED.

<i>Debenture Capital :</i>	
Stock.....	£18,312,000
Mortgages.....	98,059,000—111,871,000
Preference capital.....	124,517,000
Ordinary capital.....	220,033,000
	£456,421,000

Hence the following conclusions :—

1. The capital expended is more than half as large as the national debt.

2. The debenture and preference capital, which are practically first and second mortgages of railway property, amounted in 1865 to more than half the whole capital expended.

So that railway property is virtually mortgaged to the debenture and preference capitalist for about half its value.

The preference capital has for some years been steadily increasing, while the ordinary capital has remained almost stationary. During 1865 the preference capital increased by £19,615,000, while the ordinary capital only increased by £4,650,000. As the old companies almost always increase their capital by preference stock, I anticipate that in seven or eight years the debenture and preference capital will have risen to two-thirds of the capital expended.

3. The unissued or unpaid capital was, in 1864, £95,000,000. This increased largely in 1865, by the great number of miles authorized in that year, and in the return for that year is £122,000,000.

The expenditure was, in 1864, divided between the three kingdoms in the following proportions, including non-returning companies :—

	Capital Expended.	Cost per Mile of Railway.
England and Wales.....	£379,000,000	£41,083
Scotland.....	50,206,000	22,820
Ireland.....	26,894,000	14,360

Thus Ireland has made her railways for one-third the cost, and Scotland for little more than half the cost of the English railways—a result which might be partly expected from their larger proportions of single lines, the greater cheapness of land, and in Ireland the lower wages of labor.

But the English expenditure is the highest in the world, and has given rise to severe remarks on the wastefulness of the English system. Let us examine the causes of expense.

1. The English expenditure includes, on a probable estimate, no less than £40,000,000 sterling absorbed by metropolitan railways and termini. This of itself is £4,500 per mile on the 8,890 miles constructed.

It also includes very large sums for termini in Manchester, Liverpool, Leeds, Sheffield, Birmingham and other great towns, far beyond what is paid in continental cities.

2. The English expenditure also includes considerable capital for docks, as at Grimsby, where £1,000,000, was laid out by the Manchester, Sheffield and Lincolnshire Company; and at Hartlepool, where £1,250,000 was spent by a company now merged in the North Eastern.

It also includes in many instances capital expended on steamers and capital for the purchase of canals.

3. The counties whose trade and population is greatest, and which are most thickly studded with railways, as Lancashire, Yorkshire and Glamorgan, are exceedingly hilly, and necessitate heavy embankments, cuttings and tunnels, which enormously increase the cost of construction. The Lancashire and Yorkshire Railway has cost £52,400 per mile for the whole of its 403 miles. Had those counties been as flat as Belgium the company might probably have saved something like £20,000 per mile, or £8,000,000 sterling. The Manchester, Sheffield and Lincolnshire Company, even after deducting £1,000,000 for the docks of Grimsby, have spent £53,000 per mile. A flat country might have saved them a similar sum per mile, or £5,000,000 sterling.

4. England, as the inventor of railways, had to buy experience in their construction. Other nations have profited by it. There is no doubt

that our present system of lines could now be made at very much less than their original cost. In addition we have paid for experiments, such as the broad gauge and atmospheric railway.

5. The great preponderance of double lines over single (6,081 miles against 3,170), has largely increased the expense as compared with the single lines which predominate in other countries.

6. The price of land in a thickly populated country like England must necessarily be higher than in the more thinly inhabited continental countries. But beyond this, English landowners, in the first vehement opposition to railways, acquired the habit of being bought off at high prices and of exacting immense sums for imaginary damages. The first Eastern Counties line was said to have paid £12,000 per mile for land through an agricultural country, being about ten times its real value. This habit of exaction has been perpetuated to our own day. As an every day instance, I may mention that, only a few months ago, a gentleman of great wealth was selling to a railway company which he had supported in Parliament thirty acres of grass land, of which the admitted agricultural value was £100 an acre, and three acres of limestone, of which the proved value to a quarryman was £300 an acre. There was no residential damage, and the railway skirted the outside of the estate. The price of the whole in an auction room would have been about £4,000. The proprietor's agents, supported by a troop of eminent valuers, demanded £25,000!

7. Parliamentary expenses are an item of English expenditure not occurring in countries where the concession of railways is the province of a department of the government. But in those countries there is almost always a "promoter's fund" and secret service fund, which often attain very large dimensions. Which is the preferable alternative? Besides, those who object to parliamentary committees must be prepared to give us a practicable substitute, which will suit the habits and feelings of the British nation. Now, a free nation must have liberty to bring forward schemes for the public accommodation, and to have them decided by some public tribunal after full investigation and hearing all parties. There must be witnesses, and, where millions of money are at stake, there must be the power of being represented by the ablest advocates. Commissions appointed by the Board of Trade, or any other department, would be just as expensive. The expense of parliamentary committees is the price we pay for free trade in railways, and for our present amount of railway development.

I believe that these causes will fully account for the higher cost of English railways, and, except as regards the cost of land, I think that no valid or practical objection can be taken to them. There is certainly the consolation of knowing that in return for our money we have a more efficient system of railways than any other country.

#### V.—TRAFFIC AND BENEFIT OF RAILWAYS IN THE UNITED KINGDOM.

In order to appreciate the wonderful increase of traffic which has resulted from railways, it is necessary to know the traffic of the kingdom before their introduction.

Previous to the opening of the great trunk lines in 1835, passengers were conveyed by mail and stage coaches, a system which had reached a high degree of perfection. Mr. Porter, in his "Progress of the Nation," has calculated, from the stage coach license returns, the total number of miles travelled by passengers during 1834 as 358,290,000, which represented 30,000,000 persons travelling 12 miles each. The fares were very high, being by the mails 6d. a mile inside and 4d. outside, exclusive of coachmen and guards, and rather less on the stage coaches. Including coachmen and guards, the average fares paid may be taken at 5d. per mile. Hence the 30,000,000 passengers paid a total of £6,250,000.

Goods were conveyed by water or by road.

Water communication had been developed with great perseverance, and was nearly as follows:—

	Miles.
Canals—England.....	2,600
Scotland.....	225
Ireland.....	275—3,100
Navigations.....	900
Total.....	4,000

Being one mile to every thirty square miles of country.

Canal companies always regarded with great jealousy any attempt to ascertain the amount of their traffic, and the only calculation I can find is in Smiles' "Life of Brindley" (p. 464), where it is estimated at 20,000,000 tons annually. The rates charged by canal carriers were, for the great bulk of general goods, about 4d. per ton per mile. Thus, London to Birmingham was 40s. per ton, and London to Manchester 70s. to 80s., the direct distances being 113 and 200 miles. The rates for coal were considerably less, but so high as to restrict its carriage to short distances, and to render its amount inconsiderable.

The tonnage carried by road appears to have been about one-sixth of that conveyed by canal, and may be taken at 3,000,000 tons. The rates by road were about 18d. per ton per mile, the stage wagons from London to Birmingham charging no less than £6 per ton for the 113 miles, and those from London to Leeds the enormous amount of £13 per ton for 190 miles. Assuming that each ton by road or water was carried 20 miles—a less average than at present—the total rates paid would have been nearly £8,000,000. Hence the total traffic receipts about the year 1834 may be calculated as follows:—

Passengers.....	30,000,000	—	£6,250,000
Goods.....	tons 23,000,000	—	8,000,000
			<hr/> £14,250,000

The effect of railways was very remarkable. It might reasonably be supposed that the new means of communication would have supplanted and destroyed the old. Singular to relate, no diminution has taken place either in the road or canal traffic. As fast as coaches were run off the main roads they were put on the side roads, or reappeared in the shape of omnibuses. At the present moment there is probably a larger mileage of road passenger traffic than in 1834. The railway traffic is new and

additional traffic. But railways reduced the fares very materially. For instance, the journey from Doncaster to London by mail used to cost £5 inside and £8 outside (exclusive of food), for 156 miles, performed in twenty hours. The railway fares are now 27s. 6d. first class, and 21s. second class for the same distance, performed in four hours. The average fares now paid by first, second and third class passengers are 1½d. per mile, against an average of 5d. in the coaching days, being little more than one-fourth of the former amounts.

On canals the effect of railway competition was also to lower the rates to one-fourth of the former charges. In consequence the canal tonnage actually increased, and is now considerably larger than it was before the competition of railways. Hence the railway goods traffic, like its passenger traffic, is entirely a new traffic. The saving in cost is also very great; goods are carried by rail at an average of 1½d. per ton, or 40 per cent of the old canal rates.

Now observe the growth of this new railway traffic. The following table from the Parliamentary returns (except for 1865), shows the receipts from passenger and goods traffic on railways in the following years:—

## INCREASE OF TRAFFIC.

	Total Receipts.	Average Annual Increase.	Av. of whole 22 years.
1848.....	£4,585,000	£1,079,000	£1,428,000
1848.....	9,988,000		
1855.....	21,507,000	1,653,000	
1860.....	27,786,000	1,252,000	
1865.....	35,890,000	1,619,000	

Thus the average annual increase for the whole twenty-two years was £1,423,000 per annum; and the increase was largest in the latest years.

The traffic in 1864 and 1865, was thus made up:—

	1864.	1865.
Passengers.....	£15,684,000	£16,572,000
Goods.....	18,331,000	19,318,000
Total receipts.....	£34,015,000	£35,890,000

And the things carried were, exclusive of carriages and animals:—

	1864.	1865.
Passengers.....	229,272,000	251,863,000
Goods, tons.....	110,400,000	114,593,000

Being six times as many as before the introduction of railways.

The increase was extraordinary:—

	1864 over 1863.	1865 over 1864.
Increase in passenger receipts....	£1,163,000	£888,000
“ goods “ ....	1,696,000	986,000
	£2,859,000	£1,874,000



So that the increase in 1864 was just double the average annual increase. The increase in things carried was:—

	1864 over 1863.	1865 over 1864.
Increase in number of passengers	24,687,000	22,590,000
“ tons of good.....	9,800,000	4,288,000

An increase in 1864 equal to five-sixths of the whole number of passengers in 1834, and to five-twelfths of the total goods tonnage in 1834; a wonderful proof of the capabilities and benefits of the railway system.

Now let us examine the saving to the country. Had the railway traffic of 1865 been conveyed by canal and road at the pre-railway rates, it would have cost three times as much. Instead of £36,000,000 it would have cost £108,000,000. Hence there is a saving of £72,000,000 a year, or more than the whole taxation of the United Kingdom.

But the real benefit is far beyond even this vast saving. If the traffic had been already in existence, it would have been cheapened to this extent. But it was not previously in existence; it was a new traffic, created by railways, and impossible without railways. To create such a traffic, or to furnish the machinery by which alone it could exist, is a far higher merit than to cheapen an existing traffic, and has had far greater influence on the prosperity of the nation.

Look at the effects on commerce. Before 1833, the exports and imports were almost stationary. Since that time they have increased as follows:—

#### INCREASE OF EXPORTS AND IMPORTS.

One Year.	Total Exports and Imports.	Per cent. Increase.	Per cent. per annum Increase.
1833.....	£85,500,000	36	4
1842.....	116,000,000		
1850.....	171,000,000	47	6
1855.....	260,000,000	52	10·4
1860.....	375,000,000	44	9
1865.....	490,000,000	30	6

I am far from attributing the whole of this increase to railways. Free trade, steamboats, the improvements in machinery, and other causes contributed powerfully to accelerate its progress. But I wish to call attention to two facts.

1. This increase could not have taken place without railways. It would have been physically impossible to convey the quantity of goods, still less to do so with the necessary rapidity.

Mr. Francis, in his “History of Railways,” draws a striking picture of the obstacles to commerce in 1824, from the want of means of conveyance:

“Although the wealth and importance of Manchester and Liverpool had immensely increased, there was no increase in the carriage power between the two places. The canal companies enjoyed a virtual monopoly. Their agents were despotic in their

treatment of the great houses which supported them. The charges, though high, were submitted to, but the time lost was unbearable. Although the facilities of transit were manifestly deficient, although the barges got aground, although for ten days during summer the canals were stopped by draught, and in severe winters frozen up for weeks, yet the agents established a rotation by which they sent as much or as little as suited them, and shipped it how or when they pleased. They held levees attended by crowds, who almost implored them to forward their goods. The effects were disastrous; mills stood still for want of material; machines were stopped for lack of food. Another feature was the extreme slowness of communication. The average time of one company between Liverpool and Manchester was four days, and of another thirty six hours; and the goods, although conveyed across the Atlantic in twenty-one days, were often kept six weeks in the docks and warehouses of Liverpool before they could be conveyed to Manchester. 'I took so much for you yesterday, and I can only take so much to-day,' was the reply when an urgent demand was made. The exchange of Liverpool resounded with merchants' complaints, the counting-houses of Manchester re-echoed the murmurs of manufacturers."—Vol. i, pp. 77 and 78.

This intolerable tyranny produced the Manchester and Liverpool Railway, and gave the greatest impetus to railway development.

2. The increase of imports and exports was in strict proportion to the development of railways. The following table shows the miles of railway and navigation opened, and the total exports and imports. It must be remembered that there are about 4,000 miles of navigation, and that the exports and imports had been for some time stationary before 1833:

PROPORTION OF EXPORTS AND IMPORTS TO RAILWAYS AND NAVIGATION.

Year.	Miles of railway and navigation.	Total exports and imports.	Exports and impts per mile.
1833.....	4,000	£35,500,000	£21,875
1840.....	5,200	119,000,000	22,884
1845.....	6,441	135,000,000	20,959
1850.....	10,783	171,800,000	16,006
1855.....	12,384	260,234,000	21,098
1860.....	14,438	375,052,000	25,985
865.....	17,289	490,000,000	28,341

Here the increase in exports and imports keeps pace with railway development from 1833 to 1845, falls below it during the enormous multiplication of railways and the railway distress from 1845 to 1850, rises again to the former level in 1855, and outstrips it after that year, aided by the lowering of fares and the greater facilities for through booking and interchange of traffic. I cannot think that this correspondence within the two increases is accidental, especially as I shall show that it exists also in France.

But, it may be said, how do exports and imports depend on the development of the railway system? I answer, because they depend on the goods traffic; and the goods traffic increases visibly with the increase of railway mileage and the perfecting of railway facilities. Goods traffic means raw material and food brought from ports, or mines, or farms, to the producing population, and manufactured articles carried back from the producers to the inland or foreign consumers. The exports and imports bear a variable but appreciable proportion to the inland traffic. Every mineral railway clearly increases them; every agricultural railway

ernment, and subscriptions from English shareholders, and a powerful corps of English navvies, he recommenced, carried through the line from Paris to Rouen and from Rouen to Havre, and fairly gave the start to railway enterprise in France.

In 1842 a new law was passed, by which the State undertook the earth-works, masonry, and stations, and one-third of the price of land; the departments were bound to pay by instalments the remaining two-thirds of the land; and the companies had only to lay down rails, maintain the permanent way, and find and work the rolling stock. It was intended that three-fifths of the total cost should be borne by the state and departments and two-fifths by the companies. Under this system of subventions a number of concessions were made, the shares rose to 50 per cent. premium, and in 1848 a total of 1,092 miles had been opened. The revolution of 1848 was a terrible shock to their credit, and shares went down to half their value. Many lines became bankrupt and were sequestrated, and for three years fresh concessions were entirely stopped. But the concessions already made were slowly completed, and by the end of 1851, France had opened 2,124 miles, against 6,889 opened in the United Kingdom.

In 1852 the Emperor took French railways in hand, and by a system of great wisdom, singularly adapted to the French people, he put an end to the previously feeble management, and launched into a bold course of railway development. The French public shrank from shares without a guarantee; he gave a state guarantee of 4 or 5 per cent. interest. The French public preferred debentures to shares; he authorised an enormous issue of debentures. The companies complained of the shortness of their concessions; he prolonged them to a uniform period of ninety-nine years. At the same time he provided for the interest of the state by a rigid system of government regulation and audit. And, lastly, coming to the conclusion that small companies were weak and useless, he amalgamated them into six great companies, each with a large and distinct territory; and able, by their magnitude, to inspire confidence in the public, and aid the government in the construction of fresh railways. This vigorous policy was very soon successful. Capital flowed in rapidly, construction proceeded with rapidity, and between the end of 1851 and 1857 the length of the railways opened was increased from 2,124 miles to 4,475, or more than doubled. England at that time had opened 9,037 miles.

France was now exceedingly prosperous. Her exports and imports had increased from £102,000,000 in 1850, to £213,000,000 in 1857, or more than 100 per cent. in seven years. The six great companies were paying dividends which averaged 10 per cent.; and the government guarantee had never been needed. Railways united all the great towns and ports, and met the most pressing commercial wants. But the Emperor was not satisfied. France, with double the territory of England, had only half the railway accommodation, and wide districts between all the trunk lines were totally unprovided with railways. The government engineers of the *ponts et chaussées* were prepared with plans and estimates for 5,000 miles of lines, which had been inquired into, and officially declared to be *d'utilité publique, i. e.*, a public necessity. The country districts clamoured for these lines. But how were they to be made? The public were not prepared to subscribe for them, the Government could not undertake them, and the great companies were too well satisfied with their 10 per cent. dividend to wish to endanger it by unremunerative branches.

The plan of the Emperor was intricate but masterly. He said to the companies: "You must make these lines. The 4,525 miles of railway already made shall be a separate system for the present, under the name of *Ancien Réseau*, the old lines. You no longer require the guarantee of the State for these lines. But I will give you an extension of the ninety-nine years of your concessions, by allowing them to commence at later dates; beginning with 1852 for the Northern Company, and at various dates for the rest, up to 1862, for the Southern Company. I also engage that £9,000,000 sterling of the net revenue of these old lines shall for ever be divisible among the shareholders, without being liable for any deficit of the extension lines, an amount which will give you a clear and undefeasible dividend of 6 to 8 per cent.; with a strong probability—almost a certainty—of getting much more from surplus traffic."

"Next the new lines, 5,128 miles in length, shall be a separate system, under the name of *Nouveau Réseau*, or extension lines. Their estimated cost is £124,000,000, and you, the companies, may raise this sum by debentures, on which the Government will guarantee 4 per cent. interest, and .65 sinking fund for paying them off in fifty years. Any extra cost you must pay yourselves."

These, in their briefest possible form, are the terms on which the Emperor imposed an average of nearly 1,000 miles per company on the six great companies of France. They were accepted with considerable reluctance. Their effect has been to lower the value of the shares of the great companies, for the bargain is considered disadvantageous. The companies cannot borrow at less than 5.75, so losing 1.10 per cent. per annum on every debenture; and as the lines cost more than the £124,000,000., the overplus has been raised by the companies by debentures, for which they alone are responsible. But on the other hand, they get an immense amount of fresh traffic over their old lines, which must ultimately more than repay this loss. English Railways would be thankful if their extensions cost them so little.

In the following years other lines were added, with similar guarantees and with considerable subventions from the State, and in 1863 an additional series of lines, 1,974 miles in length, were imposed on similar terms, but with some modifications of the conventions with two of the weakest companies.

Besides the Government lines, the Emperor encouraged to the utmost the efforts of the departments, and in July, 1865, a law was passed respecting *chemins de fer d'intérêt local*, which authorised departments and communes to undertake the construction of local railways at their own expense, or to aid concessionaires with subventions to the extent of one-fourth, one-third, or in some cases one-half the expense, not exceeding £240,000.

Not content with passing this law, the minister of public works, in the very next month wrote to the *prefets* of the 88 departments of France, to acquaint them fully with its provisions, and to invite them to communicate with their councils general, and deliberate upon the subject. The result was that sixteen councils requested their *prefets* to make surveys and inquiries to ascertain what lines would be advisable. 32 departments authorized their *prefets* to prepare special plans, and even to make provisional agreements with the companies to carry out lines, subject to confir-

mation by the councils. Two of these made immediate votes, viz., the department of Ain, £56,000, and Herault, £280,000 for lines which they approved. A third, the department of Calvados, voted subventions amounting to £1,000 per mile for one line, and £2,000 per mile for another line. Besides, these five departments put railroads into immediate execution by contracts with independent companies. Among these were :

	Subvention.
Saone et Loire.....	£14,000
" (besides the land). ....	40,000
Manche (with an English company, and including land).....	40,000
Rhone .....	240,000
Tarn.....	171,000

By these measures the Emperor has brought up the concessions to the following total :

	Miles.
<i>Ancien Réseau</i> , or old lines .....	5,027
<i>Nouveau</i> " or extension lines.....	7,565
	<hr/> 12,592

Being very nearly the length of our constructed lines in 1864.

But of this mileage there has been constructed up to the present time only... 8,134

Leaving still unconstructed..... 4,458

being one-third of the whole concessions. Of this, 1,800 miles are now being constructed, and 1,600 miles are expected to be opened by the end of 1867.

Hence the lines constructed in France up to and including 1865, are 8,134 miles, or about the same length as the lines constructed in the United Kingdom to the end of 1855 ; so that France is ten years behind England in actual length of railways constructed, and at least fifteen years behind England if her larger territory and population are taken into account ; and I must add that France would have been very much farther behind had it not been for the vigorous impulse and the wise measures of the Emperor Napoleon.

The progress of completion from 1837 to the present time is shown in the following table :

MILES CONSTRUCTED.

Year.	Miles open.	Average annual Increase.
1837.....	35	84
1840.....	338	34
1845.....	508	259
1850.....	1,807	301
1855.....	3,315	454
1860.....	5,586	509
1865.....	8,134	

This table shows the insignificant rate of progress up to 1845, and the

larger but still slow progress up to 1855. From that time the effect of the Emperor's policy becomes visible in the increased rate of progression. It is expected that between 1852 and 1872 more than 9,500 miles will have been opened, quadrupling the number constructed in the previous twenty years, and contributing in the highest degree to the prosperity and wealth of the French nation.

Railway history in France may be briefly summed up in four periods:

1. The period of independent companies from 1831 to 1841.
2. The period of joint partnership of the State and the companies from 1842 to 1851.
3. The period of Imperial amalgamations and guarantees from 1852 to 1857.
4. The period of guaranteed extension lines from 1858 to the present time.

[To be Continued.]

### CENTRAL RAILROAD OF NEW JERSEY.

This road extends from Phillipsburg, on the Delaware, to Elizabethport, on the waters of the harbor of New York, a distance of 64 miles, with an extension to Jersey City, opposite New York (opened in 1864), a further distance of 10 miles. It is, throughout, a double track road, and a third rail is laid between the junction of the Delaware, Lackawanna and Western Railroad, at Hampton, to Elizabethport, for the accommodation of the wide cars of that line. A third track is about to be laid between Elizabeth City and Jersey City, the traffic on this portion of the line having increased beyond the capacity of the two existing tracks. During the past year a stock yard and market, covering 40 acres, has been opened at Communipaw, and the new coal depot at Port Johnston has been brought into use. The works of the American Dock and Improvement Company are also being carried on with energy and success. Though the stock yard and dock properties belong to separate organizations, the Central company own the largest interest therein, and exercise full control over both. The improvements made by the company during the past three years have more than doubled its capital account: but the increase of business in consequence of their completion has been sufficient to ensure the continuance of the usual 10 per cent. dividend. It is not intended to make further new expenses on account of construction, but simply to finish up the work on hand.

The amount of rolling stock owned by the company at the close of each of the last five fiscal years is shown in the following statement:

	'62.	'63.	'64.	'65.	'66.		'62.	'63.	'64.	'65.	'66.
Engines.....	83	51	59	65	83	Freight cars.....	246	307	313	369	434
Passenger cars.....	30	22	34	52	58	Coal ".....	200	200	360	461	806
Mail, express, &c., cars....	7	7	11	17	20	Working ".....	29	36	71	71	71

—the four and six wheel cars being reduced to their equivalent in eight wheel cars.

The receipts and expenses on account of operating the road and ferries of the company for the same years were as follows:

	1862.	1863.	1864.	1865.	1866.
Passenger earnings.....	\$230,305	\$287,960	\$488,324	\$688,774	\$763,471
Merchandise ".....	481,977	608,385	731,732	898,237	1,099,239
Coal.....	661,231	1,021,153	1,517,964	1,838,488	1,619,744
Mails, express, rents, &c.....	94,024	27,530	39,284	60,586	99,790
Total earnings.....	\$1,397,537	\$1,941,976	\$2,557,184	\$3,086,390	\$3,581,344
Operating expenses.....	622,945	814,733	1,221,554	1,748,438	1,963,976
Nett earnings.....	\$774,592	\$1,127,243	\$1,335,630	\$1,337,952	\$1,617,368

From which were disbursed the following:

Taxes—United States.....	\$8,263	\$21,731	\$49,602	\$90,042	\$111,148
" State.....	24,533	24,576	26,417	31,219	36,998
" Interest.....	142,512	147,712	155,134	170,860	215,724
Renewals, &c.....	175,733	186,568	.....	134,156	106,864
Dividends, 10 per cent.....	363,000	401,578	569,573	861,676	1,146,484
Surplus.....	60,321	265,029	504,904	.....	.....

An extra dividend of 10 per cent was paid from the renewal fund or surplus earnings as found at the end of 1863. This amounted to \$515,000, leaving in the fund named \$63,255, to which was added \$60,000 premium on new stock issued—making the true balance at the end of 1863 \$123,255, and with the surplus of 1864 a total of \$628,159, at which amount the renewal fund still remains.

The following statements exhibit the operations on the road and ferries for the same five years:—

	1862.	1863.	1864.	1865.	1866.
Miles run by engines hauling trains—					
Passenger.....	201,333	214,438	290,641	431,334	448,545
Merchandise.....	146,136	187,189	177,688	220,261	292,110
Coal.....	309,363	383,451	418,743	393,693	496,160
Wood and Gravel.....	29,873	28,947	68,949	123,590	140,210
Total on Central Railroad.....	687,304	813,041	948,218	1,187,978	1,375,025
Total on New Jersey Railroad.....	53,584	59,164	(abandoned).		
Aggregate miles run by trains.....	740,788	871,905	948,213	1,187,978	1,375,025
Miles run by ferry boats.....	47,656	38,538	39,047	47,073	40,461
Passengers and tonnage carried—					
Passengers.....	419,803	529,017	698,606	923,806	1,083,592
Merchandise (3,000 lbs.).....	196,965	263,625	273,266	317,151	424,002
Iron (3,240 lbs.).....	70,202	80,853	69,235	75,469	108,009
Coal (3,240 lbs.) { Lackawanna.....	502,375	613,964	675,743	494,637	773,173
Lehigh.....	314,195	435,227	474,221	509,819	511,076
Mileage of passengers and tonnage—					
Passengers.....	11,759,879	13,181,971	19,397,515	23,331,715	25,866,378
Merchandise.....	11,163,080	13,540,017	14,610,905	17,338,535	24,045,007
Iron.....	4,487,108	5,173,456	4,480,400	4,830,016	6,593,512
Coal.....	43,447,733	56,795,557	62,372,269	55,633,624	69,421,516

The gross receipts per mile run by trains and the cost of operating are shown in the following table:—

	1862.	1863.	1864.	1865.	1866.
Passenger trains.....	\$1 26	\$1 47	\$1 54	\$1 73	\$1 70
Merchandise trains.....	3 29	3 23	4 12	3 88	3 76
Coal trains.....	2 14	2 06	3 16	3 53	3 28
Average of all trains.....	\$3 12	\$3 47	\$3 88	\$3 87	\$3 90
Expenses per mile run.....	0 92	1 11	1 39	1 06	1 59
Profits per mile run.....	\$1 20	\$1 36	\$1 44	\$1 21	\$1 31

The financial condition of the company as shown on the general balance sheet at the close of each fiscal year reads as follows:—

	1862.	1863.	1864.	1865.	1866.
Capital stock.....	\$3,630,000	\$4,320,000	\$6,500,000	\$10,655,940	\$13,000,000
Funded debt.....	2,000,000	2,000,000	2,000,000	1,509,000	1,500,000
Dividend payable January 1 proximo ..	99,750	110,355	159,118	261,711	399,398
Interest accrued.....	47,838	47,838	47,838	32,350	33,350
Accounts payable.....	320,434	292,377	439,399	543,665	250,400
Renewal fund (balance).....	233,176	638,255	638,159	638,159	638,159
Total.....	\$6,322,198	\$7,708,890	\$9,764,509	\$13,661,735	\$15,111,192

—accounted for, as shown in the following exhibit:

Railroad .....	\$4,480,597	\$4,592,747	\$4,822,675	\$6,106,967	\$6,794,306
Extension to Jersey City.....	.....	252,196	638,386	.....	.....
Port Johnston coal wharves.....	.....	.....	.....	187,011	318,377
Stations, shops, &c.....	132,000	136,000	167,166	218,736	298,421
Lands and works at Elizabethport .....	302,355	302,476	302,476	301,855	301,976
Ferry interest and boats.....	217,050	307,150	554,343	604,587	556,551
Engines.....	320,000	487,500	535,765	685,000	931,000
Passenger cars.....	49,000	53,500	84,450	176,000	199,000
Freight cars.....	137,878	153,000	196,800	211,250	280,950
Coal cars.....	99,864	100,000	211,533	211,533	553,650
Communipaw filling and bulkheads.....	.....	.....	255,273	385,119	.....
Lands, docks, mach'y, &c.....	\$75,511	330,967	1,405,655	3,845,536	4,427,979
Iron and ties on hand.....	32,900	64,238	81,125	59,177	86,411
Materials & fuel on hand.....	46,658	35,607	41,535	62,497	189,787
Cash & acc'ts receivable.....	123,238	424,579	359,497	406,497	787,694
Total.....	\$6,322,198	\$7,708,890	\$9,764,509	\$13,661,735	\$15,111,192

The following table shows the relation of capital, earnings, &c.:

	1862.	1863.	1864.	1865.	1866.
Capital per mile of road.....	\$37,970	\$103,437	\$114,865	\$184,736	\$195,946
Earnings " ".....	21,337	20,345	34,395	41,032	43,395
Expenses " ".....	9,788	12,730	16,642	23,627	25,540
Profits " ".....	11,549	7,615	17,644	17,405	17,855
Expenses to earnings, per cent.....	44.67	41.95	45.51	57.63	54.84
Profits " ".....	55.32	58.05	51.49	42.33	45.16
Profits to capital and debt, p. c.....	18.75	17.08	15.83	10.56	11.15

The market value of the company's stock, based on the monthly range of selling prices at New York, is shown in the following statement:

	1862.	1863.	1864.	1865.	1866.
January.....	114@119	.....	.....	.....	114 @119
February.....	120@123	170@170	175@175	.....	113 @114
March.....	.....	175@175	.....	.....	104 @107½
April.....	.....	.....	.....	.....	106½ @110
May.....	.....	.....	.....	.....	110 @117
June.....	.....	.....	.....	.....	115½ @117
July.....	180@180	.....	.....	.....	116 @120
August.....	.....	165@165	.....	120@124	120 @123½
September.....	.....	.....	.....	122@125	127 @129
October.....	150@180	.....	.....	122½ @123½	127½ @130
November.....	150@150½	.....	.....	120@123½	128 @133½
December.....	156@156	.....	.....	118@123	124 @127
Year.....	114@155	165@175	175@175	118@125	104 @123½

The sale-prices for the first six months of 1867 have been as follows: January, 124@125; February, 120@123; March, 116@118; April, 113½@115½; May, 115@118½; June, 117½@120. Half year, 113½@125.

The last notice of this railroad will be found in Vol. LIV. page 450.



## THE PREVENTION OF RAILROAD ACCIDENTS.

Although we now travel by rail in this country more securely and more swiftly than ever before, it is generally admitted, we believe, by our most experienced railroad men that more than half of the mortality and injury to passengers arising from railroad accidents might be prevented if due precautions were used by the companies in the construction of their cars, in the repairs of their roads, and in the running of their trains. How far this conviction is shared by the public is evident from the ample damages often awarded when any company is sued in the courts by passengers who have sustained injuries.

An examination of the details of railroad accidents shows that among the most important guarantees of safety, there are two or three which may very properly be made the subject of legislation. The first is the prevention of collision. By the free use of the telegraph it seems to us possible that no train should ever, by night or day approach within a certain distance of another train on the same line of rails. With suitable bye-laws carried out and enforced by a sufficient body of watchmen stationed at suitable intervals along the line of road, the collision of trains might probably be rendered almost impossible, and one of the most frequent dangers of the sacrifice of life would thus be averted from railroad travellers. We are aware that some of our great railroad companies are making great efforts in the direction indicated, but economy induces others to be more remiss, and some uniformity of precautionary provisions might be secured by a wisely framed statute applying to all the roads. In the Convention at Albany, ten days ago, some such measure, we believe, was brought up in the Convention. But this matter is clearly one to be acted on by the Legislature, and not by a Convention assembled to revise the organic law of the State Government. We understand, however that the project finds favor in some influential quarters to appoint a Railroad Board, armed with authority, and held under obligations to take the supervision of these and other matters affecting the relations of the railroads to the public. By whatever means it be effected, however, the frequency of collisions ought to be and may be greatly diminished.

A second cause of railroad accidents arises from the condition of the road. The demand for rapid travelling has on the European railways made it obligatory on the various companies to keep the rails, ties and sleepers in perfect order, and to subject them to frequent inspection. In the leading roads of England we believe every mile of the rails from one end of the track to the other is examined at least once a day by mechanics whose sole business it is to walk along the road for this purpose, each man having a certain length of track allotted him, for the safety of which he is responsible and the condition of which he has to report from actual examination at certain intervals. Were some such arrangement perfected here, rare would be the accidents from rotten ties or broken rails, and the economy of the plan would be promoted if steel rails were generally adopted as is being done we believe to a limited extent on the Erie, Hudson, Harlem roads, and by some of the more enterprising companies in the Western States. The accident a week

ago on the first mentioned road near Elmira arose we are told from rotten ties which allowed a displaced rail to throw the engine off the track. This catastrophe might probably have been avoided altogether had the road bed been more thoroughly examined just as its mortality to the passengers was prevented by other precautions, to which we shall presently advert. We are aware of the difficulties against which our railroad companies have to contend and appreciate the efforts making to meet the demand for rapid and cheap transportation of passengers and merchandize. We do not urge the adoption of such legislation as would fetter the railroad companies or hinder any well devised efforts they may contrive to fulfil their important duties to the community, but we would urge on them the necessity of adopting voluntarily every well-tested improvement tending to prevent loss of life, knowing as we do that if omitted such expedients will before long be enforced by public opinion and by law.

But the precautionary measures should not stop at the security of the road bed and the prevention of collision between trains traversing it, for after we have put in operation the most approved preventives with the greatest possible care accidents will sometimes occur, and our railroad companies must see to the safety of the passengers whose lives are entrusted to their keeping by adopting any improvements in the construction of their cars which may conduce thereto. In this point of view there are two principal dangers which have to be guarded against—the “telescoping” of cars into each other in case of collision, and the falling of passengers in passing from car to car when the train is in motion. At the last session of the Legislature of this State a law was introduced to guard against the latter of these two evils, and it was finally passed on the 22d of April last. The provisions of this statute are not generally known. We therefore give them from an official copy of the law as follows :

**SECTION 1.** It shall be the duty of every railroad company or corporation in this State, and every railroad company or corporation running, or that may hereafter run its passenger cars in this State, to cause the platforms upon the ends of all passenger cars to be so constructed that when said cars shall be coupled together, or made up into trains and in motion, danger of injury to persons or loss of life between the ends of said cars, by falling between the platforms of said cars while passing from one car to another, shall, so far as practicable, be avoided.

**SEC. 2.** This act shall not operate or be construed to exempt railroad companies or corporations from liability for damages to persons who may be injured or sustain loss or damage by or through any neglect to comply with the provisions of this act.

**SEC. 3.** Time shall be allowed to all railroad companies or corporations to comply with the provisions of this act as follows, to wit : One quarter of all the said cars of each of said companies or corporations shall be made to conform to the requirements of this act within three months from and after the passage of this act, one other quarter thereof within six months, one other quarter thereof within nine months, and the remaining one quarter thereof within one year from and after the passage of this act.

Several plans have been adopted and brought into use for complying with this law. That which seems to be regarded with the most favor as best meeting the conditions of the problem is known as the Miller platform, which some eighteen months ago was adopted by the Erie railroad, and is now being introduced, we believe, by the Hudson River road in this State, as well as on several Western roads.

This new coupling apparatus unites the ends of the cars so that only a few inches intervene between the two contiguous "platforms" however rapidly the cars are travelling. It is also adjusted to prevent the dangerous swaying motion, and while it grasps the cars so firmly together that a force of 7,000 pounds cannot tear them asunder, it is so elastic that there is no more than the average loss from "slippage," and no force that has yet been applied has ever caused them to telescope into each other. To the safety conferred by this apparatus was ascribed the fact that during the past eighteen months no passenger's life has been lost on the Erie railroad, and in the recent accident to which we have referred above not a single passenger was hurt although the train was going at full speed at the time.

### DEBT AND FINANCES OF SAN FRANCISCO.

The public debt of San Francisco, as stated in the report of the City Auditor, at the end of the fiscal year 1865-66, and as it stood on the 9th April, 1867 (according to a special statement furnished us by the same gentlemen), is shown in the following statement :

Description of securities.	Interest.		Principal payable.	Am't outstanding.	
	Rate.	Payable.		July 1, '66.	Apr. 9, '67
City Bonds of—					
1861.....	10	May & Nov.	May 1, '71	\$1,250,900	\$1,267,900
1864*.....	10	Jan. & July.	Dec. 1, '66	174,500	
1865*.....	6	" "	Jan. 1, '77	305,500	270,500
City & County Bonds of—					
1858.....	6	Jan. & July.	Jan. 1, '83	1,133,500	1,133,500
1860 (School)*.....	10	" "	July 1, '70	55,500	54,500
1861 ( " )*.....	10	" "	July 1, '70	18,000	16,000
1861 & '63 (S. F. & S. J. RR.).....	7	Various.	Var. '71-'73	300,000	277,000
1863 (Judgment).....	7	Ap'l & Oct.	Oct. 1, '83	917,388	883,000
1864.....	7	June & Dec.	June 1, '84	28,008	28,000
1864 (Can. Pac. RR.).....	7	Jan & July	July 1, '84	400,000	400,000
1865 (West'n Pac. RR.).....	7	May & Nov	May 1, '85	260,000	260,000
1865 (School).....	7	Ap'l & Oct.	April 1, '81	75,000	60,000
1867 ( " ).....	7	" "			300,000

The interest and principal of the bonds marked thus (\*) are payable in gold by Messrs. Lees & Waller in New York. All others are payable in San Francisco.

The coupons of the bonds of 1858, the judgment bonds of 1863 and 1864, and the school bonds of 1866, are receivable for taxes of the current year.

The amount of debt July 1, 1866, as above.....	\$4,947,394
Coupons then due and not presented.....	68,480
Total amount of indebtedness.....	\$5,015,714
Sinking and other funds, per contra.....	1,133,916
Net amount of debt.....	\$3,881,798

The receipts and expenditures for the fiscal year 1865-'66 were as follows :—

#### RECEIPTS.

Assessed taxes.....	\$1,361,876 25
Poll tax—General fund.....	\$13,170 94
School fund.....	2,214 75—
State and county licenses.....	82,353 25
Municipal licenses.....	23,799 25

Harbor dues .....	20,126 58
Fines .....	41,970 65
Sales of property .....	4,100 55
" bonds (school) .....	\$61,060 00
Rents (school) .....	1,225 50
Sandries (school) .....	610 75— 62,886 25
Total on all accounts .....	\$1,634,408 06

## EXPENDITURES.

Current expenses .....	\$1,085,941 96
Paid by fees .....	\$116,977 86
Returned by state .....	52,029 65— 162,007 51—\$916,934 45
Permanent improvements .....	98,145 90
Sales of property .....	7,150 00— 90,955 90
Interest on debts .....	895,276 71
Sinking funds, &c. ....	189,078 33— 254,198 88
Reduction of debt .....	154,055 00
Old claims .....	19,097 47
Net payments .....	\$1,437,281 20
Paid with means obtained from other sources than per contra .....	315,236 84
	\$1,752,517 04

The rates of taxation (cents per \$100) in the city and county, since the consolidation of 1856, for state as well as local purposes, are shown in the following statement:—

For what purpose.	'64-'7	'67-'8	'68-'9	'69-'70	'70-'1	'71-'2	'72-'3	'73-'4	'74-'5	'75-'6	'76-'7
State .....	70	70	60	60	60	62	77	90	125	115	112
General fund .....	125	125	125	65	75	75	70	42½	61	70	87½
Street light fund .....				15	15	15	7½	7½	7½	7½	15
Street department fd. ....										10	4½
School fund .....	35	35	35	35	35	35	35	20	25	25	25
Corporation debt fund .....			25	95	100	100	65	45	47	43	38½
Int. (S.F. & S.J. RR) .....								5	2½	2	
" (bonds of '64-'64) .....									17½	10	
" (Pa'c RR. bds) .....										8	
Skg. fd. (bonds of '55) .....									2½	7½	5
" (    " '63-4) .....											7½
" (S.F. & S.J. RR bds) .....										1	1½
" (Pa'c RR bds) .....											
Judgment fund .....				46							
Total (cts. p \$100) .....	220	230	245	316	285	287	274½	210	298	312	310

## RAILROADS OF THE WORLD.

The following statement, which we have compiled from the most authentic sources accessible, shows the length of railroad constructed and in operation at the end of 1866 in each country into which they have been introduced, and their relation to the extent and population of the countries respectively. We believe it to be as nearly accurate as it is possible to make such a summary :

Countries.	Miles of	Area, sq. m.		Population.	
	railroad.	Absol'te.	To mile of R. R.	Absol'te.	To mile of R. R.
<b>NORTH AMERICA :</b>					
Canada .....	2,148.5	367,822	166	3,091,440	1,489
New Brunswick .....	198.2	27,704	140	295,084	1,489
Nova Scotia .....	92.8	18,746	202	368,731	3,974
United States .....	38,896.3	3,001,002	81	36,896,300	1,000
Mexico .....	78.3	772,672	9,869	8,259,080	105,480
<b>WEST INDIES :</b>					
Cuba .....	896.5	47,273	119	1,419,234	3,659
Jamaica .....	18.8	6,250	453	441,264	198
<b>SOUTH AMERICA :</b>					
Venezuela .....	32.0	426,700	13,334	1,565,000	48,906
New Granada .....	47.5	521,900	10,987	2,797,473	58,894
British Guiana .....	59.9	96,300	1,008	155,026	2,583

Countries.	Miles of railroad.	Area, sq. m.—		Population.—	
		Absol'te.	To mile of R. R.	Absol'te.	To mile of R. R.
Brazil.....	433.3	2,973,400	68,599	10,045,000	23,198
Paraguay.....	46.2	86,300	1,866	1,337,431	28,896
Peru.....	55.3	498,700	9,018	2,500,000	45,300
Chili.....	336.7	249,900	742	1,714,319	5,091
Argentine Republic.....	231.0	1,123,800	4,876	1,459,355	6,319
EUROPE:					
Gt. Britain & Ireland.....	13,286.0	122,550	9	29,070,936	2,189
France.....	8,962.5	213,300	24	37,472,733	4,173
Spain.....	3,116.4	189,550	60	16,081,267	5,144
Portugal.....	433.3	35,250	81	3,897,861	9,296
Switzerland.....	894.2	15,370	18	2,510,494	3,167
Italy.....	3,213.2	109,730	34	24,289,631	7,553
Austria.....	2,830.9	240,250	62	33,578,002	8,502
N. Germany (elsew'e).....	2,540.1	44,530	17	8,522,460	2,255
Prussia.....	5,794.8	135,740	23	23,577,939	4,068
N. Germ'ny (elsew'e).....	1,062.5	94,677	23	5,610,394	5,196
Belgium.....	1,595.1	11,400	7	4,940,570	3,099
Holland.....	700.7	13,600	19	3,735,632	5,236
Denmark.....	295.1	14,730	50	1,608,095	5,451
Sweden.....	1,023.4	170,099	166	4,114,141	4,021
Norway.....	43.5	123,228	2,831	1,701,478	3,911
Russia.....	2,775.2	1,565,200	564	65,963,181	23,734
Turkey in Europe.....	170.6	203,330	1,139	15,700,000	91,713
ASIA:					
Turkey in Asia.....	142.9	668,990	4,608	16,000,000	111,966
British India.....	2,379.1	1,465,300	43	180,500,000	53,413
Java.....	101.4	51,300	508	13,917,000	13,734
Ceylon.....	36.9	24,660	616	2,242,008	63,470
AFRICA:					
Egypt.....	281.2	659,000	2,345	7,465,000	26,650
Algeria.....	27.7	85,500	303	3,000,000	108,300
Cape Colony.....	84.5	104,930	159	267,100	4,140
Natal.....	2.0	14,400	7,300	156,200	78,100
AUSTRALASIA:					
Victoria.....	331.5	86,940	263	574,331	1,733
New South Wales.....	145.5	322,437	2,330	378,935	2,613
South Australia.....	73.5	383,298	5,215	140,416	1,900
Queensland.....	41.3	678,000	15,998	59,712	1,449
New Zealand (Canterbury).....	16.5	106,259	6,440	176,337	10,637

The following is a recapitulation of the above table, so far as length of railroad is concerned; but as relates to area and population, substituting the total of each grand division for those of the countries named above:

Divisions.	Miles of railroad.	Area square mile—		Population—	
		Absolute.	To mile of R.R.	Absolute.	To mile of R.R.
North America.....	139,414.1	7,600,000	192.8	52,000,000	1,309.3
West Indies.....	420.3	100,000	243.7	3,500,000	8,539.3
South America.....	1,041.9	7,100,000	6,814.4	22,500,000	21,565.1
Total America.....	40,866.3	14,900,000	362.1	78,000,000	1,908.6
Europe.....	50,117.5	3,600,000	71.8	285,000,000	5,686.6
Asia.....	3,660.3	17,400,000	4,753.7	780,000,000	213,097.3
Africa.....	875.4	11,700,000	21,166.7	300,000,000	532,765.1
Australasia.....	607.7	8,200,000	5,265.7	1,600,000	2,633.8
Total of world.....	95,727.2	50,700,000	530.2	1,844,600,000	12,908.8

## IRELAND FOR 1866.

A Parliamentary return, giving information on the subject of agriculture for the year 1866 has just been received, and I extract therefrom such features as seem to have general interest in this country and abroad.

The area under the principal cereal crops in 1866, which amounted to 2,159,199 acres, decreased by 40,211 acres compared with 1865; and the dimi-

nution in the average yield per acre was: In wheat, 1.7 cwt.; oats, 0.3 cwt.; rye, 0.1 cwt. Barley and bere gave an increase yield, the former of 0.8 cwt. and the latter of 0.5 cwt. per acre. The cereal crops (wheat, oats, barley, bere and rye) produced 8,776,262 quarters, being a net falling off in the yield of 474,618 quarters in 1866 compared with the previous year. This was owing not only to a diminished acreage, but also to a decrease in the estimated average acreable yield in 1866.

In green crops there was an increase in the produce of turnips, mangel wurzel and cabbage, but a large decrease in the yield of potatoes. Taken together, potatoes, turnips, mangel wurzel and cabbage in 1866 produced 7,487,741 tons, showing a net deficiency in the total yield from these crops of 222,121 tons compared with the previous year. This was caused by a decrease in the acreage under potatoes and also by a considerable diminution in the yield of that crop, amounting to seven-tenths of a ton per acre.

Flax, notwithstanding a less acreable yield, shows a greater total produce of 1,430 tons. This is due to an increased area of 12,074 acres in 1866. Hay exhibits a decrease in acreage of 77,070 acres. We present a table giving the total extent under each of the principal crops in 1865 and 1866, and the increase or decrease in the latter year.

Crops	Extent Cultivated in—		Inc. or Dec. in 1866.	
	1865. Acres.	1866. Acres.	Increase. Acres.	Decrease. Acres.
Wheat .....	266,989	299,190	32,201	.....
Oats .....	1,745,228	1,609,895	.....	45,533
Barley .....	177,109	150,398	.....	26,809
Bere and Rye .....	10,081	10,041	.....	70
Potatoes .....	1,066,360	1,050,353	.....	16,007
Turnips .....	394,212	317,196	.....	17,014
Mangel Wurzel .....	14,899	20,069	5,668	.....
Cabbage .....	36,623	36,531	2,909	.....
Flax .....	251,453	253,507	12,074	.....
Hay .....	1,678,498	1,601,428	.....	77,070
Total decrease .....				129,536

The economical changes which have taken place in Ireland even since 1857 may be perceived at a glance by comparing the estimated total produce of that year with that of 1865 and 1866. The great decrease in the cultivation of wheat and the great increase in that of flax seem to be the most noticeable features:

Crops.	Estimated Produce.			Inc. or Dec. 1866.	
	1867. Quar.	1865. Quar.	1866. Quar.	Inc. Quar.	Dec. Quar.
Wheat .....	1,063,937	893,798	806,710	.....	21,078
Oats .....	8,906,347	7,659,737	7,284,335	.....	374,892
Barley .....	849,733	783,017	654,980	.....	77,037
Bere .....	36,558	18,989	11,016	.....	2,973
Rye .....	49,253	18,864	19,721	1,357	.....
Potatoes .....	3,509,544	3,865,990	3,068,594	.....	797,396
Turnips .....	4,360,197	3,301,683	3,786,463	484,779	.....
Mangel Wurzel .....	296,515	191,987	250,323	58,375	.....
Cabbage .....	327,876	350,253	352,363	33,111	.....
Flax .....	14,476	89,561	40,991	1,430	.....
Hay .....	2,508,644	3,068,707	2,873,623	.....	190,085

The interruption of the cotton supply in 1861-2 gave an impetus to the cul-

ture of fax in Ireland. This impetus is measured by the number of scutching mill's in operation in 1866 as compared with the number in 1861 :

Provinces.	1861.	1866.
1—Ulster.....	1,018	1,893
2—Leinster.....	18	49
3—Munster.....	7	39
4—Connaught.....	4	32
Ireland.....	1,037	1,513

The number of emigrants who left the Irish ports in 1866 was 101,251, being a decrease of 1,845 on the returns for 1865.

The number of males who emigrated in 1866 was 60,688, being an increase of 4,482 over the previous year. Of females there were 40,563, being a decrease of 6,327 compared with 1865. The suspension of the habeas corpus act doubtless accelerated the emigration of the male part of the population. We present a table showing the numbers contributed by each province to the aggregate emigration :

Emigrants from. Provinces.	Males.		Females.		Total.	
	1865.	1866.	1865.	1866.	1865.	1866.
Leinster.....	11,069	9,915	9,461	7,464	20,530	17,379
Munster.....	20,490	21,359	16,326	15,619	37,493	36,971
Ulster.....	12,744	17,803	9,557	8,457	22,301	26,259
Connaught.....	6,189	6,725	6,338	5,714	12,477	12,439
From what province not stated.....	4,783	3,700	3,987	2,659	8,760	6,419
Persons belonging to other countries.....	193	1,127	607	657	1,509	1,784
Total.....	56,206	60,688	46,890	40,563	103,096	101,251
	Increase. 4,482		Decrease. 6,327		Decrease. 1,845	

Of the 1,784 emigrants from Ireland not belonging to Ireland, 1,073 were natives of South Britain, 604 of North Britain, 49 of the Continent of Europe, 55 of the United States, Canada and the West Indies, and three of Africa, Australia and the East Indies.

In respect to age, nearly 75 in every 100 of the persons who left Ireland were between 15 and 35 years of age. In 1865 the proportion per cent for these ages was 64.7.

The same Parliamentary return gives information on the meteorological phenomena of Ireland, as registered at the Ordnance Survey Office in Phoenix Park. Height above the sea, 158.8 feet. The barometer stood highest in 1866, on the 24th of January, at 9:30 A. M.—wind S.W.—when it was 30.673 inches; it was lowest at 9:30 P. M. on the 23d March—wind S. E.—when it was 28.663 inches. The highest temperature in the air during the year was 80.7 degrees of Fahrenheit, on the 13th of July, and the lowest 17.5 degrees, on the 1st of March. Rain or snow fell on 216 days. The greatest quantity of rain which fell in a day (twenty-four hours) was 9.75 inches, on the 18th of June—the wind being N. W. The point from which the wind chiefly prevailed was from the westward; it blew from that direction 107 days, with an average pressure 2.83 lbs. per square foot. The strongest wind was from the S. W., on the 6th of December, when the pressure was 25 lbs. per square foot.

## LLOYD'S LIST OF WRECKS AND CASUALTIES.

The "Committee for Managing the Affairs of Lloyd's," in London, appointed a Statistical Committee in March, 1866, who have lately published their "First Annual Analysis of the Wrecks and Casualties reported in *Lloyd's List* for the year 1866." The object of the publication, which will hereafter appear annually, is to present a comprehensive and careful summary of losses and casualties, containing all available information relating to accidents; and the work cannot fail to be of value to all parties interested in the mercantile marine of the world. The date of this first report is 23d April, 1867, in the preface to which it is stated "that the results of casualties as at first stated are very frequently modified by subsequent events, of which information is only obtained after greater or less intervals, and that a period of three months is allowed to elapse for the purpose of securing all possible accuracy."

It appears from the monthly summary of "Wrecks and Casualties" reported in *Lloyd's List* as having occurred in 1866, that they were as follows:

Wrecks—Ships .....	9,558	Casualties—Ships.....	10,627
Steamers .....	1,029—10,587	Steamers .....	1,084—11,711

The results of wrecks to the vessels were:

	Ships.	Strs.		Ships.	Strs.
Total loss.....	2,119	115	Minor damage.....	4,062	354
Constructive loss.....	163	7	Raised after sinking.....	44	8
Great damage.....	1,196	99	Not damaged, or results unknown	1,574	446

The results to cargoes, so far as reported, were:

	Ships.	Strs.		Ships.	Strs.
All lost.....	1,875	71	Heated .....	20	..
Part lost.....	639	50	Shifted .....	111	6
All saved.....	62	5	Otherwise damaged.....	218	36
Forwarded .....	74	12			

The number of salvage cases were: ships, 1,264, and steamers, 116. So far as reported, the lives lost were 2,644.

An elaborate tabular analysis of the wrecks is also given, divided into thirty-one geographical sections, with the remark that "the arrangement followed is that of voyages between the ports within the several sections and the United Kingdom and Continent of Europe (between Bordeaux and Hamburg, both included), and does not necessarily indicate the locality of the casualty." With this explanation we subjoin two of the sections:

—United States, from Matamoras— (exclusive) to New Brunswick (exclusive).					—British North America.— Cross Voy-ers. ages to.				
	To	From	Coasters.	Cross Voy-ers. ages to.	To	From	Coast.	Cross Voy-ers. ages to.	
Total loss.....	33	45	16	41	35	84	65	41	
Ships.....	33	45	16	41	35	84	65	41	
Steamers.....	7	5	1	19	4	6	6	3	
Constructive loss.....	..	..	..	..	..	..	..	..	
Ships.....	47	12	2	50	13	26	6	18	
Great Damage....	2	1	..	..	..	..	2	..	
Ships.....	155	69	6	147	63	61	8	17	
Minor Damage....	23	7	2	1	2	3	1	..	
Raised after sinking.....	..	..	3	..	..	..	..	..	
Not damaged, or results unknown	29	37	4	50	15	31	25	16	
Ships.....	14	9	5	3	2	1	3	..	
Totals.....	370	178	33	307	129	159	112	90	
Steamers.....	39	19	11	4	5	5	10	2	



But, besides the exceedingly valuable series of tables, of which we have here made a very imperfect summary, there is a statement given showing that the whole number of "Casualties" posted in *Lloyd's Loss Book* during each of ten years were:

Year.	Casualties.	Year.	Casualties.
1857.....	3,318	1862.....	3,652
1858.....	3,171	1863.....	3,906
1859.....	3,753	1864.....	3,298
1860.....	3,520	1865.....	3,847
1861.....	3,673	1866.....	3,370
Total in decade.....		34,431	
Average in each year.....		3,443.1	

It will be observed that the casualties in each of the years 1859, 1860, 1861, 1862 and 1863 were much more numerous than in 1866; while those in 1857, 1858, 1864 and 1865 were considerably less. The reports by months show the following results:

	Total for 10 years.	Average per month.		Total for 10 years.	Average per month.
January.....	4,097	409.7	July.....	1,638	163.8
February.....	2,976	297.6	August.....	1,890	189.0
March.....	3,009	300.9	September.....	2,307	230.7
April.....	2,368	236.8	October.....	3,831	383.1
May.....	1,886	188.6	November.....	4,632	463.2
June.....	1,688	168.8	December.....	4,241	424.1

This table shows that the greatest number of reported casualties occurred in the months of November, December and January; the months next in order being October, March and February; the smallest proportion in May, June, July and August. The following analysis shows the ratios:

During November, December and January.....	12,960	Casualties, or	37½	per cent.
“ October, March and February.....	9,516	“	28½	“
“ September and April.....	4,673	“	13½	“
“ May, June, July and August.....	7,082	“	20½	“
	34,431		100	

The document from Lloyd's, to which we have in this summary way called our readers' attention, will, we expect, be improved in some of its features before the time for another issue comes round; and it will be looked forward to with interest as years impart additional value and importance to it. It may not be out of place here to say that while the geographical arrangement, so far as it goes, is a desirable one, an attempt might be made to tabulate the regions where wrecks and casualties happen. For example, one region might be the Gulf and River St. Lawrence, another the North Atlantic coast, a third the West Indies and Gulf of Mexico, a fourth the channels and coasts of Great Britain, &c., limiting the regions to perhaps less than one-half the number of the geographical sections. The labor incident to this addition to the report would indeed be considerable, but its enhanced value to underwriters, ship owners and shippers would compensate for it all; while the mercantile classes would reap the advantages accruing from the modification of rates of insurance which such an arrangement might eventually lead to.

## COMMERCIAL CHRONICLE AND REVIEW.

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Public Debt Statement—Conversion of Seven-thirties—Crops and Business—Rates of Loans—  
Stock Exchange—Prices of Governments—Amount of Coin—Course of Gold, &c.

No statement of the public debt has been published this month, and it is impossible to say precisely what progress the Secretary has made in his funding operations. Enough is known, however, to lead to the conclusion that they are going forward satisfactorily, and that the aggregate of compound notes and of Seven-thirties has received a considerable diminution. As to the compound notes, the amount maturing is so limited as to be easily manageable, especially in view of the large balance in the Treasury, and of the heavy receipts this month from income tax and internal revenue. Hence, the three per cent. certificates will not need to be issued in exchange for compounds during July nor perhaps in the month of August. As to the Seven-thirties, we have repeatedly shown that it is so much the interest of the holders to convert them into gold-bearing bonds, that we shall not be surprised if, during the next six months, they should disappear from the debt statement almost altogether. Of these notes it will be remembered there are three series. Several weeks ago a controversy arose relative to the first series maturing in August next, of which 130 millions were outstanding at the beginning of May, and about 90 millions on the 1st of June. These notes are dated 15th August, 1864, and call for 7.30 per cent. interest in currency during three years from their date. The controversy originated from the fact that at maturity all the Seven-thirties are convertible at par into Five-twenty gold bearing bonds at the option of the holder. This option gives the notes a value beyond that of an ordinary short security, and causes them to sell in the market at as high a premium as the long gold-bearing Five-twenties themselves. The question raised had regard to the option which confers on these notes their special value. By one party it was contended that the option did not lapse at the date of the maturity of the note, but survived in such a way that at any time after the fifteenth of August the holder could present his note at the Treasury and demand either cash or a bond at his pleasure. One of the inconveniences of this arrangement would have been that capitalists could combine together to hold a large amount of Seven-thirties, should some unforeseen trouble invade the money market, and could demand payment in cash at any time hereafter. Hence the Treasury would be compelled to keep on hand, at great cost to the country for interest, a large amount of currency for the specific purpose of paying off these matured notes. And the speculators who imposed this permanent and mischievous necessity on the Treasury could do it without the sacrifice of the option to demand bonds in exchange for their notes if at any subsequent date such a conversion might be to their interest. Other objections were urged to this view of the case, which were subjected to discussion in Wall street. In view of all the facts we ventured to refute the prevalent opinion, and urged that the holders of August notes would do well to convert them before maturity into bonds. We called attention to the fact that as each Seven-thirty note bears on it the express condition that it is convertible "at maturity," the privilege of

conversion must expire by its own limitation on the day the note matures, adding that in a few weeks the Department would probably announce that all August notes not converted at maturity would be treated as the other matured obligations of the Government, would cease to bear interest, and would be paid off at par. This argument has turned out to be correct. For a few days ago the notice was semi-officially issued, and there is now no doubt that such August Seven-thirties as are not presented at the Treasury on or before August 15th, will lose their privilege of conversion, will be paid off in cash, and will consequently fall to par in the market. Of course these regulations do not as yet affect the June and July Seven-thirties which mature next year.

So great are the anomalies which have marked the course of business in all classes of securities, except Government bonds, that during the past six months the remark has been on almost every one's lips that the thinkers have been losers, while the men who have followed the instincts and impulses of the moment have almost invariably grown rich by their operations, or have, at least, avoided serious loss. In the face of an inflated currency, low prices have ruled steadily; and though all descriptions of negotiable securities have confessedly been offering in the market far below their intrinsic worth, still the sellers have been more urgent than the buyers; the speculative feeling seemed extinguished; and all those forces which tend to put up quotations suffered from temporary paralysis. In looking back, it is easy to select and point out some of the causes to which this long reign of depression is due. Business in all departments has been dull and unremunerative; we have had three successive bad harvests; a vast aggregate of money has been lost by people in all parts of the country whose ordinary prudence had unhappily been silenced by the desire to grow suddenly rich, and who have ventured greater or smaller sums in speculative purchases of petroleum, manufacturing, or mining stocks, which soon became either altogether unsaleable, or could only find purchasers at a price scarcely covering the interest on the original purchase money. In our hotels and railroad cars, in our merchant's offices and our banks—wherever we make the inquiry in our chief cities—we find it not difficult to meet with men who have directly or indirectly suffered from the collapse of some of the ten thousand companies with whose prospectuses all parts of the country were inundated two or three years ago. The great reservoir of the public wealth has thus been depleted in two ways. First, through the failure of the crops, by which our people generally have been more or less impoverished; and, secondly, by extravagant speculation, which has reduced multitudes to indigence, and has made almost every one "feel poor," which in its effects on business is as bad as being poor. When to these circumstances we add the pressure of a galling burden of ill-adjusted taxation which our young giant nation has scarcely accustomed its shoulders to bear, and the prodigal habits of domestic expenditure which have grown up and have conferred on us at home and abroad the reputation of being the most extravagant and profuse, as well as the most energetic and enterprising nation in modern Christendom, we shall show some of the reasons, though only a small part of the reasons for that languor that has seized us, and has diffused its cataleptic oppressive torpor over so large a part of our productive energies.

If in the long depression which has prevailed in Wall street, we see reflected

the mercantile and financial gloom under which the whole nation has suffered, shall we not see in the improvement that is now developing itself at the Stock Exchange, a bright promise of good which is to overspread the whole country? It is not without significance that at the London Stock Exchange an improvement is apparent, quite as marked and as unexpected as that we note here. A recent number of the London *Economist* refers to it in the following terms:

The rise in prices during this week and last has puzzled some people, and especially, perhaps, those who have given some attention to philosophical principles, but have not thought the subject quite out. It is generally imagined that some physical quantity—supply, and some other almost mechanical entity, demand, determine price, and rightly understood, we believe, supply and demand *do* determine price, but the sense in which they do so requires a very nice and delicate exposition, which we cannot go into here. The material point for the present purpose is this: that the circumstances which act on price are quite as much mental as material. A person who thinks prices are going to rise, he goes and buys, and by his application to buy he raises or tends to raise the price. Just so a person who thinks prices are about to fall is apt to sell, and by so selling he reduces or tends to reduce the price of the article. It cannot be put too strongly that price is an affair of the *nerves* as much as it is an affair of anything.

It is certain, we believe, that the great rise in the shares of the London and Westminster Bank, though caused by a special fact which every one knew, *did* tend to raise the price of everything else. It made people feel more cheerful; it produced the effect of a great splash in a dull pool; it woke up peoples minds, and made them think things would be different.

The great rise in Consols, which has ruined one or two small dealers, is not to be wondered at. They rose more rapidly in value both after 1847 and 1857, than after 1846. And it is more reasonable that in a depression of prices which arises from distrust, those things which are least to be disturbed should sink least at first, and should rise soonest from the common fall.

It is far from our intention to encourage inordinate hopes, or to countenance a speculative reckless spirit among our mercantile classes. The object we have in view will be accomplished if we induce some of our desponding readers to look more hopefully for the turn of the tide, when legitimate risks and mercantile ventures, which would have been rash in the extreme a few months ago may be less perilous, or may be embraced within the limits of prudence and sound business policy.

June has been characterized by a general improvement in the tone of business. The encouraging crop prospects have proved most opportune to the drooping confidence of merchants. It is felt that there is now a solid basis for hopes of improvement, and both in financial and trading circles there is a relaxation of the extreme caution which for months past has paralyzed business. But, with reviving hopes, there is no general disposition to run into excesses. The severe experience of late months have left many with diminished means for carrying on business, while it has sobered all and produced a general disposition to trade prudently.

If we do not misinterpret indications, there is a liability on the part of manufacturers to regard the crop prospects as demanding a large supply of goods. In this city there are large stocks in the hands of commission agents, and reports from New England and Pennsylvania state that heavy stocks are piled upon the factories. Some of the manufacturers are using this glutted condition of the market as an argument with their hands for a reduction in wages, but none ap.

pear to favor the policy of curtailing production. Applications are made at the banks of this city for advances upon manufacturers' stocks to an extent unusual at this season of the year. These, with other facts, would seem to indicate a strong probability that the supply of domestic goods for the Fall trade will be unusually ample. Under these circumstances there would seem to be little reason in the hope entertained among manufacturers that an active business in the Fall will induce an advance in prices.

The course of the money market during the month has not realized the general expectation. The large withdrawals of currency into the treasury, the payment of income tax, and the preparation for the quarterly statements of the banks, made up on the 1st of July, were relied upon as almost certain to induce a decided stringency in the market toward the close of June. On the contrary, the market has steadily increased in ease, and at the close of the month demand loans were 1 per cent. lower than at the opening.

The following are the rates of loans and discounts for the month of June :

#### RATES OF LOANS AND DISCOUNTS.

	June 7.	June 14.	June 21.	June 28.
Call loans .....	7 @ -	7 @ -	6 @ -	4 @ 6
Loans on Bonds and Mortgage.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos .....	7½ @ 8	7 @ 8	7 @ 8	6½ @ 7
Good endorsed bills, 3 & 4 mos.....	7½ @ 9	8 @ 9	8 @ 9	7 @ 8
"          "          single names.....	9 @ 10	9 @ 10	9 @ 10	9 @ 10
Lower grades .....	10 @ 15	11 @ 15	11 @ 15	11 @ 15

The expectation of a close money market at the end of the month induced a large "short" interest in the stock market; but the disappointment of the expectation naturally induced a sharp upward movement, based upon the oversold condition of the market. Large amounts of shares changed hands toward the close of the month, and the aggregate transactions for June, at the boards, were ran up to 1,822,730 shares, against 1,573,220 for the same period of last year. The total sales at both boards for the first six months of the year amount to 11,339,859 shares, against 12,014,197 for the corresponding period of 1866.

The following table shows the volume of shares sold at the New York Stock Exchange and Open Boards in each month and the half year, since January 1:

#### VOLUME OF SHARES SOLD AT THE STOCK BOARDS, JUNE, 1867.

	January.	February.	March.	April.	May.	June.	Since Jan. 1.
Bank shares.....	2,461	1,929	3,436	2,518	4,051	2,564	18,968
Railroad ".....	2,300,510	1,363,251	1,597,017	1,868,205	1,468,041	1,554,113	9,990,136
Coal ".....	24,288	10,369	33,145	8,398	7,515	9,593	93,305
Mining ".....	35,376	29,980	23,502	36,059	13,980	33,268	215,045
Improv't ".....	20,344	18,960	41,975	30,090	41,900	31,735	184,704
Telegraph ".....	48,501	33,867	84,615	57,376	43,072	53,773	271,091
Steamship ".....	56,504	91,618	80,561	73,087	61,180	76,656	444,556
Expr's&c ".....	4,703	6,409	6,563	12,135	24,411	37,941	122,154
At New York Stock Ex.....	785,859	634,121	673,926	820,157	642,614	611,580	4,146,737
At Open B'd.....	1,656,325	841,343	1,153,876	1,293,494	1,086,065	1,311,150	7,193,102
Total 1867.....	2,483,684	1,475,863	1,826,802	2,113,581	1,678,699	1,822,730	11,339,859
Total 1866.....	2,459,517	1,743,431	1,968,889	1,764,439	2,514,451	1,573,220	12,014,197

Government securities have continued in very active demand from the interior, while moderate shipments of Five-twenties have been made to the interior the result having been a general advance in prices.

The amount of Government bonds and notes, State and city bonds and company bonds, sold at the Stock Exchange Board in the two first quarters and the month of June, and the total, since January 1, is given in the table which follows:

	1st quarter.	2d quarter.	June.	S'ce Jan. 1.
United States bonds.....	\$18,702,650	\$40,883,350	\$14,043,750	\$59,091,000
United States notes.....	4,792,490	3,347,600	1,093,850	8,140,080
State and city bonds.....	8,594,100	7,601,650	2,023,950	16,486,750
Company bonds.....	2,216,300	2,307,700	757,000	4,568,900
Total 1867.....	\$34,595,490	\$53,705,300	\$18,531,050	\$88,800,730
Total 1866.....	32,600,540	36,414,350	12,078,750	69,014,590

The following are the closing quotations at the regular board on Friday of each of the last seven weeks.

	May 17.	May 24.	May 31.	June 7.	June 14.	June 21.	June 28
Cumberland Coal.....	...	3)	...	...	80%	...	83%
Quicksilver.....	27	25	25	25	28	27%	81%
Canton Co.....	...	41%	43	...	...	...	47
Mariposa pref.....	...	17%	...	20%	20	19%	21%
New York Central.....	97%	97	98%	100%	101%	102%	104%
Erie.....	63%	58%	58%	60%	60%	59%	66%
Hudson River.....	100%	100	102	109%	108%	108%	109%
Reading.....	109	102%	108%	105%	106%	107%	109%
Michigan Southern.....	67%	66%	68%	65%	68%	70%	73%
Michigan Central.....	109%	...	...	111	113	x.d.107	110%
Cleveland and Pittsburg.	78%	71%	75	76%	76%	77%	84%
Cleveland and Toledo.....	118	...	...	119	118	120%	120
Northwestern.....	84%	31%	33%	34%	34%	35%	43%
" preferred..	59%	56%	57%	58%	59%	59%	65%
Rock Island.....	88%	87%	87%	88%	88%	90%	95%
Fort Wayne.....	96%	96	96%	99	97%	98	103%
Illinois Central.....	114%	115	115%	119%	...	120%	121%

The daily closing prices of the principal government securities are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK, JUNE, 1867.

Day of month.	6's, 1881.		6's, (5-20 yrs.) Coupon—				5's, 10-40 yrs.	7-30s
	Coup.	Reg.	1882.	1884.	1885.	new.	Coup.	1887.
Saturday 1.....	111%	.....	109%	105%	106%	108%	99%	106%
Sunday 2.....	.....	.....	.....	.....	.....	.....	.....	.....
Monday 3.....	119	107%	108%	105%	106%	108%	99%	.....
Tuesday 4.....	112%	107%	110%	106%	108%	108%	99%	.....
Wednesday 5.....	113%	108	109%	.....	106%	108%	99%	.....
Thursday 6.....	.....	108	108%	.....	106%	108%	99%	.....
Friday 7.....	112	.....	109%	105%	106%	108%	.....	.....
Saturday 8.....	112	108	109%	106	106%	108%	99%	.....
Sunday 9.....	.....	.....	.....	.....	.....	.....	.....	.....
Monday 10.....	112%	108%	107%	108%	106%	109	99%	108
Tuesday 11.....	.....	.....	110	108%	108%	109%	99%	105%
Wednesday 12.....	112%	.....	110	106%	107	109%	100	.....
Thursday 13.....	112%	.....	110	.....	107	109%	100%	.....
Friday 14.....	112%	.....	110%	106%	107%	109%	.....	108%
Saturday 15.....	.....	108%	110%	106%	107%	109%	.....	106%
Sunday 16.....	.....	.....	.....	.....	.....	.....	.....	.....
Monday 17.....	.....	.....	110%	107	107%	109%	.....	106%
Tuesday 18.....	.....	.....	110%	107%	107%	109%	100%	106%
Wednesday 19.....	.....	.....	110%	107	107%	109%	108%	106%
Thursday 20.....	.....	.....	110%	106%	106%	109%	100	.....
Friday 21.....	.....	.....	110%	106%	107	109%	100	.....
Saturday 22.....	112%	.....	110%	107	.....	109%	100	.....
Sunday 23.....	.....	.....	.....	.....	.....	.....	.....	.....
Monday 24.....	118	.....	110%	107%	107%	110%	.....	.....
Tuesday 25.....	118%	.....	110%	107%	107%	110%	100%	106%
Wednesday 26.....	118%	109%	110%	107%	107%	110%	100%	106%
Thursday 27.....	118%	108%	110%	107	107%	110%	100%	.....
Friday 28.....	.....	108%	110%	107	107%	110%	100%	106%
Saturday 29.....	.....	.....	110%	107%	107%	110%	100%	106%
Sunday 30.....	.....	.....	.....	.....	.....	.....	.....	.....
First.....	111%	107%	109%	105%	108%	108%	99%	106%
Lowest.....	111%	107%	109%	105%	108%	108%	99%	106%
Highest.....	118%	109	110%	107%	107%	110%	100%	106%
Range.....	1%	1%	1	1%	1%	9%	1	.....
Latest.....	113%	108%	110%	107%	107%	110%	100%	106%

The quotations for three-years compound interest notes on each Thursday of the month have been as shown in the following statement :

PRICES OF COMPOUND INTEREST NOTES AT NEW YORK, JUNE, 1867.

Issue of	June 6.	June 13.	June 20.	June 27.
June, 1864.....	119½ @ 119½	119½ @ 119½	119½ @ 119½	119½ @ 119½
July, 1864.....	118½ @ 119½	119 @ 119½	119 @ 119½	119 @ 119½
August, 1864.....	118½ @ 118½	118½ @ 118½	118½ @ 119	119½ @ 119
October, 1864.....	117½ @ 118	117½ @ 118	117½ @ 118	117½ @ 118
December, 1864.....	116½ @ 117	117 @ 117½	117 @ 117½	117 @ 117½
May, 1865.....	116 @ 116½	116½ @ 116½	116½ @ 116½	116½ @ 116½
August, 1865.....	115 @ 115½	115½ @ 115½	115½ @ 115½	115½ @ 115½
September, 1865.....	114½ @ 115½	114½ @ 115½	115 @ 115½	115 @ 115½
October, 1865.....	114½ @ 114½	114½ @ 114½	114½ @ 115	114½ @ 114½

The first series of figures represents the buying and the last the selling price, at first-class brokers' offices.

At London the price of United States bonds has ranged between 72½ and 73½ the quotations not having appreciably yielded under an advance of two points in the premium on gold. The reduction in the Bank of England rate of discount has facilitated the carrying of bonds by the London dealers, which doubtless has been one cause of the firmness of prices.

The closing prices of Consols and certain American Securities at London, on each day of the month of June are shown in the following statement :

COURSE OF CONSO'S AND AMERICAN SECURITIES AT LONDON—JUNE, 1867.

Date.	Cons for mon.	American securities. U. S. 5-20s sh's.				Erie A. & G. W.	Date.	Cons for mon.	American securities. U. S. 5-20s sh's.				Erie A. & G. W.
Sat'day 1.....	96	73½	73½	40½	.....	.....	Wedne. 19.....	94½	73½	73	39½	25½	.....
Sunday 2.....	.....	.....	.....	.....	.....	.....	Thurs. 20.....	94½	73	73	39	25	.....
Monday 3.....	94½	73	73½	40½	.....	.....	Friday 21.....	94½	73	73	38½	25½	.....
Tues. 4.....	94½	73	73½	40½	.....	.....	Sat'day 22.....	94½	73	73	39	25½	.....
Wedne. 5.....	94½	73	73½	40	.....	.....	Sunday 23.....	.....	.....	.....	.....	.....	.....
Thurs. 6.....	94½	73	73½	39½	.....	.....	Monday 24.....	94	73	73	39	25½	.....
Friday 7.....	94½	73	73½	39½	.....	.....	Tues. 25.....	94½	73	73½	39½	25½	.....
Sat'day 8.....	94	73	73½	40	.....	.....	Wedne. 26.....	94½	73	73½	40½	25½	.....
Sunday 9.....	.....	.....	.....	.....	.....	.....	Thurs. 27.....	94½	73	73½	41½	25	.....
Monday 10.....	.....	(Holi day.)	.....	.....	.....	.....	Friday 28.....	94½	73	73½	41½	25	.....
Tues. 11.....	94½	73	73½	40½	.....	.....	Sat'day 29.....	94½	73½	73½	44	24½	.....
Wedne. 12.....	94½	73	73½	40½	.....	.....	Sunday 30.....	.....	.....	.....	.....	.....	.....
Thurs. 13.....	94½	73	79½	40½	.....	.....	Highest.....	96	73½	79½	43	26	.....
Friday 14.....	94½	73½	79½	40½	.....	.....	Lowest.....	94	73	73½	38½	24½	.....
Sat'day 15.....	94½	73½	79½	40½	25½	.....	Range.....	2	½	1½	4½	1½	.....
Sunday 16.....	.....	.....	.....	.....	.....	.....	Lo. s'e J. 1.....	90	67½	73½	35½	24½	.....
Monday 17.....	94½	73½	79	40	26	.....	Hi. s'e J. 1.....	96	75½	82½	46½	26	.....
Tues. 18.....	94½	73½	79	40	26	.....							.....

The lowest and highest quotations for United States 6's (5-20 years) of 1862, at Paris and Frankfort, in the weeks ending Thursday, have been as follows :

	June 6.	June 12.	June 20.	June 27
Frankfort.....	71½ @ 71½	71½ @ 71½	71½ @ 71½	71½ @ 71½

The course of the gold premium has been upward. The advance has followed the reopening of the breach between the President and Congress on the question of reconstruction, and the assembling in Congress in special session. At the same time, the expectation of a short supply upon the market before the next large payment of coupons, in November, has tended to strengthen the premium. The price has ranged during the month between 136½ and 138½.

The import and export of coin and bullion at the port of New York for June and the two first quarters of the current year, and since Jan. 1, have been as shown in the following statement :

## IMPORT AND EXPORT OF COIN AND BULLION.

	First Quarter.	Second quarter.	Month of June.	Since Jan. 1.
Receipts from California.....	\$6,109,861	\$6,899,555	\$3,568,778	\$13,009,416
Imports from foreign ports.....	409,077	1,145,912	497,477	1,554,989
Total receipts.....	\$6,518,938	\$8,045,467	\$3,066,256	\$14,564,405
Exports to foreign ports.....	6,566,958	17,653,966	6,848,529	\$4,219,934
Excess of exports.....	\$48,020	\$9,607,499	\$3,282,279	\$9,655,519

The following statement shows the amount of receipts and exports in June and since January 1, for the last seven years:

	California Receipts.		Foreign Imports.		Foreign Exports.	
	June.	Since Jan. 1.	June.	Since Jan. 1.	June.	Since Jan. 1.
1867.....	\$2,528,778	\$13,009,416	\$497,477	\$1,554,989	\$6,848,529	\$24,219,934
1866.....	1,842,371	16,420,347	94,549	1,160,186	15,890,956	45,782,430
1865.....	750,469	8,942,323	236,033	1,035,023	5,199,473	17,906,759
1864.....	723,951	5,832,571	146,731	1,427,014	6,632,109	22,152,121
1863.....	800,176	7,396,913	109,997	853,768	1,867,774	20,631,968
1862.....	1,911,099	11,983,067	61,023	512,405	9,867,614	27,976,357
1861.....	2,013,063	19,120,037	5,357,153	25,909,668	244,243	3,249,438

The general movement of coin and bullion at this port during the month of June resulted in a deficiency of \$3,327,247 which has been made up from unreported sources. The amount of the deficiency in the reported supply for the first half of the current year is shown at \$35,964,479, the larger part of which came from Government sales. The following formula shows the details for the first two quarters, the month of June and since January 1 to June 30:

GENERAL MOVEMENT OF COIN AND BULLION.					
	1st quarter.	2d quarter.	June.	Since Jan. 1.	
In banks at commencement.....	\$13,185,222	\$8,522,609	\$14,617,060	\$13,185,222	
Receipts from California.....	6,109,861	6,899,555	2,568,778	13,009,416	
Imports from foreign countries.....	409,077	1,145,912	497,477	1,554,989	
Coin interest paid by U. States.....	10,633,303	17,798,025	1,237,032	23,631,323	
Total reported supply.....	\$30,548,463	\$24,861,101	\$18,920,392	\$56,390,955	
Export to foreign countries.....	\$6,566,958	\$17,653,966	\$6,848,529	\$4,219,934	
Customs duties.....	33,170,623	27,185,696	8,040,114	60,356,514	
Total withdrawn.....	\$39,737,586	\$44,838,852	\$14,888,643	\$34,576,448	
Excess of reported supply.....	\$.....	\$.....	\$4,531,749	\$.....	
Excess of withdrawals.....	9,195,123	10,477,751	.....	23,195,493	
Specie in banks at close.....	8,522,609	7,768,996	7,768,996	7,768,996	
Derived from unreported sources.....	\$17,717,733	\$13,946,747	\$3,237,247	\$35,964,479	

The statement which follows shows the daily range of American gold coin as quoted at the Gold Room:

## COURSE OF GOLD AT NEW YORK, JUNE, 1867.

Date.	Open'g	Lowest	Highest	Closing	Date.	Open'g	Lowest	Highest	Closing
Saturday..... 1.....	136%	136%	136%	136%	Friday..... 21.....	137%	137%	137%	137%
Sunday..... 2.....	136%	136%	136%	136%	Saturday..... 22.....	138%	137%	138%	137%
Monday..... 3.....	136%	136%	137%	137%	Sunday..... 23.....	138%	138%	138%	138%
Tuesday..... 4.....	137%	136%	137%	136%	Monday..... 24.....	138%	138%	138%	138%
Wednesday..... 5.....	136%	136%	136%	136%	Tuesday..... 25.....	138%	138%	138%	138%
Thursday..... 6.....	136%	136%	136%	136%	Wednesday..... 26.....	138%	138%	138%	138%
Friday..... 7.....	136%	136%	136%	136%	Thursday..... 27.....	138%	137%	138%	138%
Saturday..... 8.....	136%	136%	137%	136%	Friday..... 28.....	138%	137%	138%	138%
Sunday..... 9.....	136%	136%	137%	136%	Saturday..... 29.....	138%	137%	138%	138%
Monday..... 10.....	136%	136%	137%	137%	Sunday..... 30.....	138%	137%	138%	138%
Tuesday..... 11.....	137%	137%	137%	137%					
Wednesday..... 12.....	137%	137%	137%	137%	June 1, 1867.....	136%	136%	138%	138%
Thursday..... 13.....	137%	137%	137%	137%	" 1866.....	140%	137%	137%	138%
Friday..... 14.....	137%	137%	137%	137%	" 1865.....	139%	135%	147%	141%
Saturday..... 15.....	137%	137%	137%	137%	" 1864.....	124%	128%	260%	147%
Sunday..... 16.....	137%	137%	137%	137%	" 1863.....	146%	140%	143%	147%
Monday..... 17.....	137%	137%	137%	137%	" 1862.....	108%	108%	109%	109%
Tuesday..... 18.....	137%	137%	138%	137%	" 1861.....	100%	100%	100%	100%
Wednesday..... 19.....	137%	137%	138%	138%					
Thursday..... 20.....	137%	137%	137%	137%	Since Jan. 1, 1867.....	128%	123%	141%	128%



The course of foreign exchange during the month has been very regular. Quotations have ruled at a slight per centage above the specie shipping point, until near the close of the month, when with an improved supply of bills, chiefly from shipments of bonds, rates fell to a point admitting of the export of bullion, but not of specie.

The following shows the course for the month :

COURSE OF FOREIGN EXCHANGE (60 DAYS)—JUNE, 1897.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....	110 @110½	515 @511½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
2.....						
3.....	110 @110½	515 @512½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
4.....	110 @110½	515 @512½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
5.....	110 @110½	515 @512½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
6.....	110 @110½	515 @512½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
7.....	110 @110½	515 @512½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
8.....	109½ @110	518½ @512½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
9.....						
10.....	110 @110½	515 @512½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
11.....	110 @110½	515 @512½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
12.....	109½ @110	518½ @512½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
13.....	110 @110½	512½ @511½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
14.....	110 @110½	512½ @511½	41¼ @41¼	79¼ @79¼	86¼ @86¼	73¼ @73¼
15.....	109½ @110½	515 @511½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
16.....						
17.....	109½ @110½	515 @511½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
18.....	109½ @110½	515 @511½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
19.....	109½ @110½	515 @511½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
20.....	109½ @110½	517½ @512½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
21.....	109½ @110½	517½ @512½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
22.....	109½ @110½	517½ @512½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
23.....	109½ @110½	517½ @512½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
24.....	109½ @110½	517½ @512½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
25.....	109½ @110½	517½ @512½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
26.....	109½ @110½	517½ @512½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
27.....	109½ @110½	517½ @512½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
28.....	109½ @110½	517½ @512½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
29.....	109½ @110	517½ @512½	40¼ @41¼	78¼ @78¼	86¼ @86¼	73 @73¼
30.....						
June.....	109½ @110½	518½ @511½	40¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
May.....	109½ @110½	530 @510	40¼ @41¼	78¼ @80	86¼ @86¼	71¼ @73¼
Apr.....	108½ @109½	522½ @512½	40¼ @41¼	78¼ @79¼	85¼ @86¼	71¼ @73¼
Mar.....	108 @109½	525 @515	40¼ @41¼	78 @79¼	85¼ @86¼	71¼ @73¼
Feb.....	108½ @109	523½ @515	40¼ @41¼	78¼ @79¼	86¼ @86¼	71¼ @73¼
Jan.....	108½ @109½	530 @512½	41¼ @41¼	78¼ @79¼	86¼ @86¼	73 @73¼
Since Jan 1.....	109 @110½	525 @510	40¼ @41¼	78 @90	85¼ @86¼	71¼ @73¼

## JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Condition of Banks—Quarterly Statement—Certified Cheques and Comptroller Harlburd—Bank Returns of New York, Philadelphia and Boston.

The banks of the great central cities appear to be abundantly supplied with available capital. A long period of caution and conservative management has made them strong. For the first time in a year or more the quarterly bank returns to Washington have been made up without any disturbance of the money market, and we have no doubt from the investigations we have been able to make both here and in other financial centres, that the reports when published a few weeks hence will prove that these institutions generally are more healthy and sound and therefore more useful to the country than in any previous period since

the National Currency Act was first passed by Congress. It would have been Utopian to have expected that sixteen or seventeen hundred banks, many of them entirely new, could in three or four years be brought into activity without the intrusion of a few unworthy institutions, whose weakness and instability would unfit them for union with the other members of the sisterhood of banks. But it was to be expected, and it is in fact realized, that the exposure of the rotten parts of the financial edifice should be speedy, and that the excision of the unsound banks should be effected without compromising the safety or disturbing the integrity of the vast national organization as a whole. Among the numerous appliances which have been brought into play for the purposes referred to, it is impossible to overestimate the influence of the press. Publicity of the condition of the banks must ever be regarded as one indispensable condition for annihilating or keeping in check those forces which lead to unsound and dangerous business. The visits of the Government examiners, and the reports given monthly and quarterly to the department at Washington, derive their chief value from this; that they expose the interior of the banks to publicity, and thus afford means of verifying their accounts and testing their soundness, in the interest and for the information of their stockholders, of their dealers, and of the public generally, whose fortunes and business efficiency are so intimately associated with every movement of these institutions. We need not urge the obvious fact that the rendering of their official quarterly reports ought not to impose on the banks the necessity of modifying their usual business. We regard it, therefore, as a good sign, and a proof of the soundness of the banks, that the perturbations and irregularities which have been complained of in the money market as attendant on previous quarterly reports have in the present case been avoided, while the reports themselves show unusually satisfactory results. Were our banks, like those of England eighteen months ago, unduly expanded, or were they now filled, as in 1864, with securities of doubtful value, we should not dare to conclude so hopefully as to the future. But in the presence of so many undoubted facts indicative of strength, while the bank vaults are filled with Government bonds and other securities of undoubted soundness and appreciating value, we have little hesitation in putting on record the opinion that, notwithstanding the failure of a few banks in New Orleans and elsewhere, the National Banks generally are in such a condition that in the absence of any unforeseen influences arising out of Congressional interference, a considerable period of exemption from the ordinary causes of monetary stringency may probably be enjoyed, which, if Providence should grant us an abundant harvest, may be productive of the happiest results on the trade, commerce, wealth and general prospects of the country.

There has been some discussion the past month in this city with regard to certified cheques, and the probable action of Comptroller Hulburt with regard to them. The publication by the daily press of his letter, however, shows that no power is claimed by that officer to dictate to the banks, to interfere with their long established principles of management, or to disturb any of those safeguards and economical expedients which are sanctioned by experience and useful in business. Yet, while he does not claim under the law any right to forbid the certification of cheques he does claim the right to correspond in a semi-official way

on the reports of the examiners, which are periodically made to him relative to every bank in the country. We hope, indeed, to hear more from these reports, and as the Comptroller has now got his office and his methods well organized, the public expect to see evidence that the examiners visit every one of the banks however remote at frequent intervals, and that wherever he finds anything which rightly or wrongly seems irregular, he avails himself of the undoubted right to ask for explanations. What has been complained of, and what the public generally are not satisfied with, is rather the secrecy with which most of the investigations of the Currency Bureau with the banks are enveloped. Here in New York, the heart and brain of the whole banking organism, we ought to know promptly from official publication many facts of which the Bureau is cognizant relative to broken and other banks all over the country, which now reach us, and through us the whole nation, in a very slow, round-about, and unsatisfactory manner. The information the Bank Department obtains is reported there by law not for the private information of the officers of that Bureau, but for the public, and the public ought to be put in possession of the information without delay.

The letter of the Comptroller on certified cheques referred to above was addressed to Mr. Haight, the President of the Bank of the Commonwealth, in this city, and has elicited a reply which exhibits the reasons why the banks of New York have adopted the practice of certifying the cheques of their dealers, and claims that in this city the practice is safe, necessary and superior to any plan that has ever been substituted or suggested instead of it. On the usefulness of the custom Mr. Haight says that "certifying checks in excess of actual balances at the moment the certification is made, is a practice that has grown to be a necessity in the transaction of business here. The practice is much older than the national banking system and than the New York State system, on which that was modeled. It is the outgrowth and result of the tendency of the business mind to overcome the hindrances that a rigid adherence to the original cast iron system of banking presented to the increasing growth and extent of business in this city. And although the large transactions of bankers and brokers occasions the practice to be spoken of as employed for them alone, such is not the fact; for there is no merchant of credit and responsibility, whose matured notes or cheques for such reasonable sums as he might give them, being presented and refused payment at *one* o'clock, because his deposits were not usually made till *two*, would not evoke a displeasure that would be speedily manifested in a closing of the account." To do away with the necessity for the certifying of cheques two expedients have been suggested; first, the establishment of a Stock Exchange Clearing House, and secondly, the use of cheques without the security and guarantee given by certification. The latter of these suggestions Mr. Haight discusses as follows:

I beg to ask (so long as cheques are, and of necessity must be, used in the transfer of balances), how safer than the present system it would be for banks to receive in deposit cheques on each other *not* certified, against which they become liable to pay their own customers' cheques, than to discriminate in certifying for them, and to require in turn, as is done, that their deposits shall consist of certified cheques on other banks! In the one case the bank trusts its own customer, of whose character, capital

and business capacity it may be presumed to be reasonably able to inform itself; in the other, it of necessity trusts scores of customers of *other* banks, of whom it can hardly be presumed to know much. Or in one case it may have certified its customers' cheques to the extent of \$10,000,000, and have received from them on deposit, certified cheques to the amount of \$11,000,000 with perfect safety on both sides, and in the other it *may not have certified a dollar*, and having on deposit \$11,000,000 of cheques on other banks, *not certified*, rendered itself liable to pay that amount to any number of brokers holding its customers' cheques, who may require the banks to pay them rather than hold their cheques till after the day's clearings. Such requirement on the part of broker, banker or merchant would hardly be deemed "*impudent*"—a refusal of the bank to pay *might* be deemed so. But would paying under such circumstances be absolutely safe? Would it not have been safer to have certified at first and secured certified cheques from them?

But you say that we would probably reject without hesitation a proposition to certify in *this way* for our depositors without discrimination. To which I reply not only *probably*, but most *certainly*. It is just this ability to discriminate, this exercise of judgment discretion, tact and experience that is presumed to give value to the services of a bank's officers. And if in the exercise of these qualities a discriminating policy is adopted that results in a mutual advantage to bank and depositor alike, who can have just cause for complaint? For it by no means follows that the banker, broker, or merchant is alone benefitted by these transactions. The resulting balance issues most substantially to the benefit of the bank, enabling it to loan money far in excess of its capital for the substantial profit of its stockholders. As, then, the depositor trusts the bank, why should not the bank trust its depositors? In these transactions the depositor is trusted for but for an hour or two—the bank is trusted for days. It ought, therefore to be assumed that *both* act with discrimination, and that in the exercise of this discrimination the safety of both may be reasonably assured. Brokers alone do not claim this indulgence—it is extended alike to bankers and merchants, in different degrees, with such reasonable discrimination as bank officers are presumed to exercise—and, in this city at least, it is not an indulgence that is by any means extraordinary. You speak of it as an "abuse of practice." Like all other practices, not wrong in themselves, it may be abused; but I am not by any means, prepared to admit that it is generally abused, or that its abuses have not been rare and exceptional.

As to the plan of a Stock Exchange Clearing House, the letter before us offers no observations. The Comptroller, we believe, is of opinion that the certification of cheques might be dispensed with, by the establishment of a clearing institution to fulfil to the dealers in stocks similar functions to those for which the gold dealers depend on the new Gold Exchange Bank. We believe that the general opinion in Wall street is not favorable to the scheme, the merits of which have never, in any country, been submitted to the test of experience.

Below we give the returns of the Banks of the three cities since Jan. 1 :

## NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5 . . .	\$257,322,460	12,704,892	22,762,779	204,552,544	65,026,121	426,967,787
January 12 . . .	258,925,458	14,613,477	22,525,108	202,517,908	65,246,870	603,123,006
January 19 . . .	255,023,228	15,322,307	22,354,928	201,500,115	65,235,826	530,040,028
January 26 . . .	251,074,801	16,014,097	22,057,198	197,959,076	65,496,059	566,822,814
February 2 . . .	251,254,355	16,323,981	22,295,347	200,511,596	65,944,561	512,497,368
February 9 . . .	250,308,585	16,157,257	22,777,000	195,241,333	67,622,992	508,525,532
February 16 . . .	253,131,338	14,795,526	22,955,209	196,072,292	64,622,940	455,823,629
February 23 . . .	257,622,904	15,518,456	23,005,141	198,420,347	65,153,995	443,674,098
March 1 . . .	257,166,485	11,579,881	22,294,483	198,018,014	63,014,195	465,534,519
March 8 . . .	252,141,458	10,985,122	22,409,511	200,252,527	64,522,440	544,173,256
March 15 . . .	263,072,973	9,262,722	22,490,688	197,958,504	65,512,029	496,558,119
March 22 . . .	259,400,315	9,143,913	22,519,401	194,375,615	60,204,968	472,028,218
March 29 . . .	255,222,264	8,522,619	22,649,195	188,480,250	60,498,811	459,960,602
April 5 . . .	264,470,027	8,132,813	22,774,573	183,771,269	59,021,775	521,325,184
April 12 . . .	250,102,173	9,856,229	22,702,047	182,961,226	60,202,515	525,922,462
April 19 . . .	247,551,721	7,622,525	22,648,571	184,090,356	64,026,916	447,514,375
April 26 . . .	247,727,221	7,404,204	22,601,225	187,674,341	67,920,251	446,484,422
May 3 . . .	230,571,558	9,902,177	22,571,747	195,721,073	70,557,407	559,960,118

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tenders.	Ag. clear'gs
May 11.....	253,682,829	14,954,590	83,593,669	200,348,832	67,996,639	524,218,729
May 18.....	257,961,874	15,667,252	83,637,301	201,436,854	63,838,501	503,676,793
May 25.....	256,061,805	14,083,687	83,097,253	193,673,845	60,562,440	481,733,622
June 1.....	252,791,614	14,617,070	82,747,089	190,398,143	58,459,537	442,676,585
June 8.....	250,477,393	15,699,088	82,719,088	184,780,395	55,923,177	461,734,316
June 15.....	246,223,465	12,656,389	82,707,199	180,817,763	57,994,394	460,968,602
June 22.....	243,640,477	9,889,585	83,632,171	179,477,170	62,816,192	442,440,804
June 29.....	242,547,954	7,768,998	82,542,563	186,212,257	70,174,755	493,944,356

## PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5.....	\$20,209,064	52,312,217	903,663	10,388,820	41,368,327
January 12.....	20,606,255	52,528,401	903,820	10,389,577	41,623,421
January 19.....	19,448,099	53,457,207	877,548	10,281,595	39,042,645
January 26.....	19,363,374	52,163,472	830,532	10,384,683	39,001,779
February 2.....	19,369,128	50,357,180	871,564	10,430,848	39,592,712
February 9.....	19,659,250	52,884,829	873,614	10,419,962	39,817,595
February 16.....	19,892,747	52,673,130	867,110	10,622,972	40,050,717
February 23.....	17,887,593	52,394,721	841,223	11,556,434	38,646,013
March 1.....	18,150,657	51,979,173	816,548	10,511,600	39,207,266
March 8.....	17,621,705	51,851,463	822,155	10,572,048	37,314,673
March 16.....	16,935,673	50,582,924	558,024	10,520,911	38,896,001
March 23.....	16,071,780	50,572,460	807,472	10,611,937	34,571,545
March 30.....	16,864,948	50,880,306	602,148	10,631,532	34,150,226
April 6.....	15,682,745	50,998,231	64,719	10,651,615	32,796,595
April 13.....	16,188,407	51,253,776	546,625	10,645,367	34,827,663
April 20.....	16,582,296	51,611,444	485,535	10,647,254	35,620,580
April 27.....	16,787,901	51,890,959	392,817	10,638,021	36,224,670
May 4.....	17,196,558	53,054,267	366,053	10,699,695	37,371,064
May 11.....	17,278,919	53,474,368	408,768	10,627,953	38,172,169
May 18.....	16,770,491	53,826,320	402,973	10,630,831	38,220,533
May 25.....	16,019,180	53,536,170	369,128	10,635,590	37,778,783
June 1.....	16,881,109	52,747,808	324,892	10,637,423	37,322,144
June 8.....	16,580,720	52,158,124	346,615	10,642,980	37,262,614
June 15.....	16,300,010	52,192,049	318,261	10,046,295	37,174,360
June 22.....	15,964,424	52,968,441	273,208	10,642,224	37,333,979
June 29.....	16,105,611	52,588,963	265,187	10,641,311	36,616,947

## BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.	
					National.	State.
January 7.....	\$27,009,242	1,183,451	17,033,857	40,824,618	24,580,267	312,664
January 14.....	27,441,773	1,234,300	16,829,35	40,246,216	24,097,446	311,740
January 21.....	28,298,933	1,078,160	16,594,099	38,679,604	24,276,162	301,011
January 28.....	27,891,329	1,053,399	16,816,481	39,219,241	24,716,597	302,226
February 4.....	27,742,461	958,569	16,394,604	39,708,053	24,691,075	306,014
February 11.....	27,264,162	873,396	1,102,479	39,474,359	24,686,663	305,603
February 18.....	26,949,478	929,940	15,898,386	38,900,540	24,765,420	306,901
February 25.....	26,337,900	779,462	15,741,046	37,893,963	24,963,605	308,223
March 4.....	25,050,727	958,837	15,948,103	38,216,578	24,675,767	301,480
March 11.....	24,078,975	696,447	15,719,479	36,712,052	24,346,631	189,548
March 18.....	23,156,476	588,694	16,270,979	36,751,733	24,809,523	199,123
March 25.....	22,661,060	516,194	16,557,905	36,751,725	24,728,722	299,091
April 1.....	21,723,347	435,113	17,124,223	37,056,388	24,843,376	206,025
April 8.....	21,679,549	456,751	16,860,413	37,258,775	24,851,522	296,011
April 15.....	21,712,414	876,343	16,815,355	37,218,595	24,825,519	287,905
April 22.....	22,472,815	843,712	16,549,598	38,207,548	24,852,200	286,701
April 29.....	22,353,922	829,351	16,926,564	37,637,092	24,611,437	284,928
May 6.....	22,671,149	598,873	16,571,136	38,721,769	24,784,332	283,506
May 13.....	22,423,114	517,597	16,532,421	38,504,761	24,500,992	283,514
May 20.....	22,633,587	507,866	16,409,319	37,874,822	24,538,469	283,491
May 27.....	22,223,677	441,072	16,683,361	37,123,051	24,805,860	279,061
June 3.....	22,694,025	571,526	17,173,901	37,066,894	24,725,794	279,275
June 10.....	23,436,167	496,787	16,767,754	36,038,716	24,804,163	268,768
June 17.....	23,725,428	511,095	15,719,795	36,089,923	24,771,773	271,048
June 24.....	22,951,168	470,544	15,733,396	36,521,129	24,768,947	267,294

## COMMERCE OF SAN FRANCISCO.

The returns for the quarter ending March 31, are summed up in the annexed statements :

The tonnage arrivals (whalers not included) amounted to—

From—	1864. Tons.	1865. Tons.	1866. Tons.	1867. Tons.
Domestic Atlantic ports.....	19,861	28,004	28,331	34,461
Domestic Pacific ports.....	64,279	58,063	66,657	77,840
Foreign ports.....	66,101	73,783	84,839	69,934

Of the arrivals from foreign ports, a large portion is composed of steam tonnage, employed by regular lines plying up and down the Pacific coast, and is as follows :

	1864. Tons.	1865. Tons.	1866. Tons.	1867. Tons.
From Panama.....	25,334	25,688	26,413	23,415
From San Juan del Sur.....	.....	4,714	4,363	4,078
From Northern Mexico.....	2,443	2,192	5,985	4,101
From British Columbia.....	10,031	8,991	2,259	2,040
Totals.....	37,798	41,575	39,055	35,633

The receipts of merchandise via the Isthmus of Panama were as follows :

	1865.	1866.	1867.
Tons.....	6,738	7,080	8,126

The amount of freights paid on merchandise imports has been as follows :

From—	1865.	1866.	1867.
Domestic Atlantic ports.....	\$1,082,093	\$806,014	\$909,445
Panama, per steamers.....	499,451	415,376	511,486
Principal foreign ports.....	406,834	308,072	311,553
Other foreign ports.....	47,274	158,161	63,292
Total freights on cargoes.....	\$2,035,652	\$1,718,523	\$1,693,776

The merchandise exports show an increase over those of last year. The figures are as follows :

To	1865.	1866.	1867.
New York, &c.....	\$983,611	\$916,964	\$1,315,177
Great Britain.....	23,928	261,235	1,878,760
Mexico.....	576,283	435,534	682,237
South America.....	104,758	59,809	58,571
Hawaiian Islands.....	129,341	267,891	128,659
China.....	217,765	392,438	312,932
Australia and New Zealand.....	11,000	1,416,488	18,159
British Columbia.....	854,113	330,950	216,223
Other countries.....	140,618	71,779	179,149
Totals.....	\$2,601,442	\$4,143,123	\$4,784,842

The amount of shipments to domestic Atlantic ports, as indicated in the above table, represents their value both by sailing vessels and steamers, via Panama, and New York. The amount of shipments forwarded by the steamers of the Pacific Mail Steamship Company, for transit across the Isthmus, were :

	1865.	1866.	1867.
Merchandise by Panama transit.....	\$294,349	\$369,119	\$315,587

The amount of treasure exported during the first quarter of the past three years has been as follows :

1865.....	\$11,523,334	1866.....	\$9,325,515	1867.....	\$9,635,305
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The combined exports of treasure and merchandise are represented by the following:

1865..... \$14,123,176 | 1866..... \$13,663,638 | 1867..... \$14,510,14

Exclusive of transfers by Government, the total exports this year are \$941,599 in excess of a like period in 1866, and \$480,971 more than they were in the first quarter of 1865.

The receipts of treasure from the interior and coastwise, through regular public channels, during the quarter just ended, including coin and bullion, have been as follows:

From California .....	\$5,796,979
Coastwise .....	542,258
Nevada .....	4,192,946
British Columbia, Mexico, etc .....	607,266
Total .....	\$11,945,797

The comparative aggregates for three years are as follows:

1865..... \$13,913,972 | 1866..... \$11,006,692 | 1867..... \$11,345,792

The product of the mines on this coast received through the express companies for the above named period was:

1865..... \$12,169,030 | 1866..... \$9,238,634 | 1867..... \$9,279,13

The figures show a slight increase this year as against last, but in view of the extraordinary severity of the past winter, the comparison is a very favorable one for the present season.

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The following advertisements appear in our advertising pages this month:

MERCANTILE.		INSURANCE.	
Lillie's Fire & Burglar-Proof Safes—196 B'way	Eugene Kelly & Co.—36 Wall St.	New York Mutual Insurance Co.—51 William st	
Fowler & Wells—330 Broadway.	DeWitt, Kittle & Co.—38 Wall St.	Fidelity Insurance Co.—17 Broadway.	
L. Prang & Co.—Boston and New York—Holiday Publications, etc.	Simon De Visser—53 Exchange Place.	Marine—Atlantic Mutual Ins. Co.—51 Wall St.	
Howard & Co.—619 Broadway—Diamonds, Watches, Holiday Gifts, etc.	Duncan, Sherman & Co.—Cor. Pine & Nassau.	Mercantile Mut. Ins. Co.—35 Wall St.	
Mercantile Library—Clinton Hall, Astor Place and Eighth St.	L. P. Morton & Co.—30 Broad Street.	Orient Mutual Ins. Co.	
Ferdinand Korn—191 Fulton St.—Eau de Cologne.	Robinson & Ogden—4 Broad St.	Sun Mutual Ins. Co.—49 Wall St.	
Lewis Audendried & Co.—110 Broadway—Anthracite and Bituminous Coal.	Howe & Macy—30 Wall St.	Great Western Insurance Co.	
Kellogg's U. S. Mercantile Register for 1867-8.	Gilmore, Dunlap & Co.—Cincinnati.	Fire—Hope Fire Ins. Co.—93 Broadway.	
A. B. Sands & Co.—129-141 William St.—Drugs	Lewis Johnson & Co., Washington.	Germania Fire Ins. Co.—175 Broadway.	
J. W. Bradley—97 Chambers St.—Hoop Skirts.	Ninth National Bank—363 Broadway.	Etna Insurance Co.—Hartford.	
Chickering & Sons—633 Broadway—Pianos.		U. S. Life Insurance Co.—40 Wall St.	
BANKERS & BROKERS.			
Tenth National Bank—326 Broadway.			
Barstow, Eddy & Co.—26 Broad St.			
Lockwood & Co.—34 Broadway.			
Vermilye & Co.—44 Wall St.			

THE  
**MERCHANTS' MAGAZINE**  
 AND  
**COMMERCIAL REVIEW.**

AUGUST, 1867.

**RAILWAY EXTENSION AND ITS RESULTS.**

BY R. DUDLEY BAXTER, M.A.\*

(Continued from page 63, Vol. 57.)

**VII.—COST AND RESULTS OF FRENCH RAILWAYS.**

The French system of railway organization is worthy of attentive study. It is in many points novel to an Englishman; it is often characterized by remarkable talent; and some of its regulations are very instructive and worthy of imitation.

In extent the French lines are far inferior to the English, whether judged by the area or population of the two countries.

**COMPARISON BY AREA.**

Country.	Area in Square Miles.	Railway Mileage. 1865.	Square Miles per Mile of Railway.
United Kingdom.....	120,927	13,289	9
France.....	211,852	8,134	26

\* Read before the Statistical Society of London November, 1866



## COMPARISON BY POPULATION.

Country.	Population, 1861.	Railway Mileage. 1865.	Population per Mile of Railway.
United Kingdom...	29,321,000	13,289	2,206
France.....	37,882,000	8,184	4,595

Hence, measured by area, France has only one-third of the railway accommodation, and measured by population only one-half of the railway accommodation of the United Kingdom.

The capital authorized and expended to the 31st December, 1865, was as follows:

## CAPITAL AUTHORIZED.

<i>Ancien Réseau</i> , or old lines .....	£151,000,000
<i>Nouveau</i> " or extension lines.....	209,000,000—£360,000,000
Including 64,000,000 subventions.	

## CAPITAL EXPENDED, 1866.

Debentures .....	£178,700,000
Shares .....	54,800,000
Subventions.....	27,500,000—£261,000,000

So that the French companies borrow more than three times the amount of their share capital; reversing the English rule, of borrowing only one-third of the share capital. But if we consider preference capital as a second mortgage, the English practice is to borrow an amount equal to the ordinary share capital. This, however, is still a long way from the French regulations.

The capital not paid up is nearly £100,000,000. Of this nearly one-half will be required in the next three years for lines approaching completion.

The cost per mile of French railways is as follows:

<i>Ancien Réseau</i> .....	\$30,650
<i>Nouveau</i> " .....	27,850

As the *nouveau réseau* is almost entirely composed of single lines, this does not show very great cheapness of construction. We are making our country lines much cheaper, particularly in Ireland and Scotland.

The effect of railway competition with canals was the same as in England. The canal rates were reduced to one-third of their former amount, and the canal traffic has increased instead of diminishing. The average railway fares and rates are stated by M. Flachet, in his work on railways, to be 6 to 7 centimes for each passenger, and sou per kilometre, being 1d. to 1½d. per mile; as compared with 1½d. per mile, the average on English railways.

The increase of traffic since 1850 is stated in the official returns as follows:

## INCREASE OF TRAFFIC.

Year.	Total Receipts.	Average Annual Increase.	Average Annual Increase for Fifteen Years.
1850.....	£ 3,824,400	£1,307,000 } 1,217,000 } 1,192,000 }	£1,238,400
1855.....	10,358,000		
1860.....	16,443,000		
1865.....	22,400,000		

Thus the increase has been more equable than in England, but smaller in amount, showing an average of £1,238,400, against £1,423,000 in England. But I see it stated in the railway papers that the first nine months of 1866 show much more than the usual increase.

M. Flachet gives a calculation of the saving to the nation by railway conveyance, which he makes a minimum of £40,000,000 a year. But it is based on the supposition that all the new trade would have been carried by road, which is obviously untenable. Probably £25,000,000 to £30,000,000 is a safer estimate. A writer in the "Dictionnaire du Commerce" goes into elaborate calculations of the money-saving arising out of the greater rapidity of railways, and values it at £8,000,000, on the basis that the time of a French citizen is worth 5d. an hour. I give the passage entire:

"In France, the number of kilometres travelled by passengers in 1856 was 2,200,000,000. In traveling this distance they would have spent 290,000,000 hours, while they have only been 50,000,000 hours on the railway. The saving in time of travelling by railway has therefore been 240,000,000 hours, which, at the moderate price of 5d. per hour, represent an economy of 120,000,000 frs. Besides this, the time lost in stoppages at small inns (auberges) used to exceed that spent in travelling, and hence on this head alone we may calculate on a saving of more than 100,000,000 frs. But even if we should reduce this valuation to 80,000,000, or still lower to 60,000,000 frs., there cannot be any doubt that the saving to the traveller in the matter of time alone exceeds 200,000,000 frs. (£8,000,000)."—Vol. i., p. 688.

Passing from individuals to commerce, the effect of railways has been very marked, and is warmly acknowledged by the principal French writers. The following table shows the progress of French trade:

#### INCREASE OF EXPORTS AND IMPORTS.

Year.	Total Exports and Imports.	Increase per Cent.	Increase per Cent per Annum.
1840 .....	£ 82,520,000	—	—
1845 .....	97,080,000	15.	3.
1850 .....	102,204,000	5.	1.
1855 .....	178,076,000	50.	10.
1860 .....	282,192,000	84.	6.8
1865 .....	293,144,000	26.25	5.25

The revolution of 1848 accounts for the small increase between 1845 and 1850, but it is plain that the great increase in French commerce was between 1850 and 1860, contemporaneously with the great development of railways. When travelling in France I have always heard railways assigned as the cause of their present commercial prosperity.

The proportion which the exports and imports bore to the means of communication is shown in the following table:

#### PROPORTION OF EXPORTS AND IMPORTS TO RAILWAYS AND NAVIGATION.

Year.	Navigations. (7,700 miles), and Railways.	Exports and Imports.	Exports and Imports per Mile Open.
1840 .....	8,264	£ 82,520,000	£ 9,985
1845 .....	8,547	97,080,000	11,258
1850 .....	9,507	102,204,000	10,750
1855 .....	11,015	178,076,000	15,712
1860 .....	13,286	282,192,000	17,476
1865 .....	15,830	*293,144,000	18,518

Here there is a steady rise in the amount per mile, checked only by the revolution of 1848. But the principle that there is a distinct correspondence between means of communication and the exports and imports is already shown.

The effect of railways on the condition of the working classes has also been very beneficial. The extreme lowness of fares enables them to travel cheaply, and the opportunity is largely used. The number of third class passengers in France is 75 per cent of the total passengers, against only 58 per cent in England (M. Flachet, p. 60). The result of these facilities of motion has been an equalization of wages throughout the country, to the great benefit of the rural populations. M. Flachet says:

"Railways found in France great inequality in the wages of laborers; but they are constantly remedying it. Wherever they were constructed in a district of low wages, employment was eagerly sought. The working classes rapidly learnt to deserve high wages by the greater quantity of work done. Agriculture had been unable to draw out the capabilities of its workmen, and was for the moment paralyzed by want of hands; but industry developed fresh resources. The total amount of work done was considerably increased all over the country. The difficulties of agriculture were removed by obtaining in return for higher wages a larger amount of work than before, and also because machines began to be used in cultivation. Everywhere it was evident that increased energy accompanied increased remuneration. This is the point in which railways have most powerfully increased the wealth of France. The moral result of this improvement in the means of existence of the working class has been to diminish the distance which separates the man who works only for himself from the man who labors for a master. In the education of the workman's children, in his clothing, in his domestic life, and even in his amusements, there is now an improvement which raises him nearer to his master."—pp. 78 and 79.

I am sure we shall all rejoice at this evidence of the benefits conferred by railways upon the working classes of that great neighboring nation. I wish there was time to give you additional extracts, showing the immense services of railways to the industry of France, showing that France was kept back by the difficulty of communication, by the immense distances to be traversed and the impossibility of conveying cheaply and rapidly the raw materials of manufactures. Railways have supplied this want, and have given a new impetus to production and new outlets for the produce.

Turning to the shareholders, there are some curious facts which surprised me not a little. The popular notion is, that in France railway traffic bears a much higher proportion to capital expended than in England. The phrase "They manage these things better in France" is forever on the lips of the British shareholder when he talks of his own paltry  $4\frac{1}{2}$  per cent dividend, or of the  $8\frac{1}{2}$  per cent gross receipts. The world in general believe that a 10 or 12 per cent French line, like the Orleans of France, really has a traffic of at least that amount. But this is an entire mistake. The gross traffic receipts of France are now 9.6 per cent on the share and debenture capital or 1 per cent more than in England. And the net receipts, after deduction of 45 per cent working expenses, are now 5.28 per cent on the total share and debenture capital, being .82 or about four-fifths per cent higher than in England. Yet the French companies pay an average dividend of 10 per cent, while the English pay only the

natural dividend of  $4\frac{1}{2}$ . Here are the figures, for the benefit of the sceptical:

## AVERAGE RECEIPTS AND DIVIDENDS PER CENT.

Name of Company.	1859.	1861.	1865.
Gross receipts .....	10.5	11.0	9.6
Net profits .....	5.7	6.2	5.28
<i>Dividends of Great Companies:</i>			
Nord.....	15.	16.5	17.87
Orleans.....	18.	20.	11.2
Midi.....	4.	10.	8]
Ouest.....	7.5	8.5	7.5
Est.....	8.13	8.	6.6
Mediterranee.....	10.6	15.	12.
Average.....	10.54	18.	10.53

Compare these figures with those for the English lines given above. You will see the remarkable correspondence between the gross and net receipts and the very remarkable dissimilarity in the dividends. How is this accounted for?

Look at the table of capital expended. Disregarding the £27,500,000 subventions, as corresponding to the *dixieme* tax paid by the companies, there is £233,000,000 share and debenture capital, out of which a portion of the debentures are charged to capital under the conventions for the extension lines. Being for new railways, they have not yet been transferred to the revenue account. Hence the interest-bearing capital reduced and the interest itself increased.

The large amount of debentures now comes into play, on which there is paid from 5 to  $5\frac{1}{2}$  per cent, leaving an overplus to accumulate for the shares, so raising the interest on shares to nearly 7 per cent.

But this is not enough. In 1863 the State bound itself to contribute to certain lines annual subventions, which in 1865 came to £551,000, and the State also paid during the same year in respect of their guarantees of the debentures in the *nouveau reseau* £1,320,000, making a total subvention in 1865 of £1,871,000, an amount sufficient to pay more than 3 per cent on the share capital of £54,800,000. The guarantee of £1,220,000 on the *nouveau reseau*, however, is not an absolute subvention, as it will be repayable gradually by the companies when their income exceeds a fixed amount. It is therefore a loan by the State, repayable on the occurrence of a contingency and at an uncertain date.

Thus the original interest of 5.28 per cent on the share and debenture capital becomes 10 per cent to the shareholder. It is a wonderfully clever arrangement and would be exceedingly palatable to Great Eastern or even Great Northern shareholders.

But consider the difference which this shows in the ideas of the two countries. In England it would never be borne for an instant that six great companies, say the London and North Western, Great Western, Midland and others, should receive 10 per cent dividend and yet obtain from the State annual subventions and guarantees amounting to £1,800,000. No ministry dare propose such a job. The reform agitation would be nothing to the clamor with which it would be greeted; and yet in France it is the most natural thing possible. Nobody says a word against

it. Nay, the feeling of the French companies and the popular opinion is that these poor 10 per cent shareholders have been badly used and that their legitimate 12 or 15 per cent from the trunk lines ought not to have been lessened.

One characteristic of the French system is the absence of competition, and this is opposed to all our ideas of freedom of communication. The Northern Company monopolizes the whole traffic between Calais and Paris. The Mediterranean Company monopolizes the whole traffic between Paris and Marseilles, a traffic of extraordinary importance and value. An attempt made two years ago by another company to obtain an extension to Marseilles and to establish an alternative route was rejected by a Government commission after a very long inquiry. The consequence of this system is a great concentration of traffic in a small number of trains, to the profit of the companies and to the inconvenience of the traveller. There are in England, between places like Liverpool and London, about three times as many trains as there are in France between Marseilles and Paris. And besides this, goods are sent less rapidly in France and delivered with less punctuality.

But there is a great deal to be said in defence of the French system. It avoids the duplicate lines necessary for competition, which France could not well afford. It keeps the companies prosperous and able to aid the Government in railway extension. It is not an irresponsible monopoly, able to charge high prices to its customers, but a strictly regulated monopoly, with its tariff fixed by Government at the lowest prices that will be remunerative. It is like the system of our own Metropolitan Gas and Water Companies, which enjoy a monopoly within defined districts on terms settled by the law and revised from time to time in the interest of the public. The French Government appoints commissioners of inquiry to examine into any defect or to consider improvements, and they report to the minister of public works, who has the power of making regulations which are binding on the companies. The last commission is a good instance. In February, 1864, the minister of public works issued to the companies a circular suggesting several points which required improvement and the commission was appointed to consider their answers. The points discussed were:

- 1.—The adoption of a means of communication between the guard and engine-driver. This was made obligatory on the companies.

- 2.—A means of communication between passengers and the guard. This was accepted by the companies.

- 3.—The consumption by locomotives of their own smoke. This was ordered to be carried out within two years.

- 4.—The addition of second and third class carriages to express trains. The recommendation of the commission was accepted by the companies.

- 5.—Separate carriages for unprotected females.

- 6.—The commission demanded that on the great lines the speed of goods trains should be increased from 60 miles to 120 miles, without any increase of tariff. This very important question was referred to a sub-committee for further examination and for hearing objections.

From these details it is evident that the interests of the public are well looked after.

I should add that there is a continuous audit of the accounts of the

companies by Government accountants, who attend from week to week at the companies' offices for that purpose.

I will at present mention only one other point in French railway law—that the Government has the power of purchasing any line of railway after fifteen years from its first concession. The price is to be fixed by taking the amount of the net profits of the seven preceding years, deducting the two lowest years and striking the average of the remaining five years. The Government is then to pay to the company for the remainder of the concession an annual rent-charge or annuity equal to the average so determined, but not less than the profits of the last of the seven years. This mode of purchase appears preferable to the English law, since it does not require the creation of any new rentes or consols; and I commend it to the notice of Mr. Galt.

I have mentioned these prominent features of the French law, in the hope that they may be useful in suggesting improvements in the English system.

Why should we not vest in the President of the Board of Trade a power of making and enforcing regulations for the public safety and convenience? Why should we not introduce more frequent railway commissions to consider important questions and recommend to the President of the Board of Trade or to Parliament? Why should we not have a modified system of audit and a registration of shares and debentures?

#### VIII.—RAILWAYS IN BELGIUM AND HOLLAND.

Belgium is one of the most striking instances of the benefit of railways. In 1830 she separated from Holland, a country which possessed a much larger commerce and superior means of communication with other nations by sea and by canals. Five years later the total exports and imports of Belgium were only £10,800,000, while those of Holland were double that amount. But in 1833 the Belgian Government resolved to adopt the railway system, and employed George Stephenson to plan railways between all the large towns. The law authorizing their construction at the expense of the State passed in 1834, and no time was lost in carrying it out. Trade at once received a new impetus, and its progress since that time has been more rapid than in any other country in Europe. The following table shows the activity with which the lines were constructed. We must remember that Belgium contains only one-tenth of the area of the United Kingdom, and that to make a fair comparison with our own progress we must multiply the table by ten.

MILES CONSTRUCTED.

Year.	Miles Open.	Increase per annum Miles.
1839 .....	185	
1845 .....	335	25
1853 .....	720	48
1860 .....	1,087	45
1864 .....	1,350	78

Hence, the progress for a state of the size of the United Kingdom would have been—

	Miles a Year.
1839 to 1845.....	250
1845 to 1853.....	480
1853 to 1860.....	450
1860 to 1864.....	750

a rate of increase which is as great or greater than our own.

The results on commerce are shown in the following table:

#### INCREASE OF EXPORTS AND IMPORTS.

Year.	Exports and Imports.	Increase per Cent.	Increase per Cent per Annum.
1835.....	£10,760,000		
1839.....	15,680,000	45.72	11.43
1845.....	26,920,000	71.4	11.9
1853.....	47,760,000	77.41	9.67
1860.....	72,120,000	51.	7.3
1864.....	97,380,000	35.88	9.

I need scarcely point out the extraordinary character of this increase, which is enormous in the first ten years, and far beyond either England or France, and is not inferior to us in the later period. In the thirty years from 1835 to 1864 Belgium increased her exports and imports nearly tenfold, while England increased hers only fivefold. If we had increased our commerce in the same ratio, the English exports and imports would now be a thousand million pounds sterling.

The proportion between exports and imports and means of communication is shown in the following table, which differs from those of England and France in the rapid increase per mile:

#### PROPORTION OF EXPORTS AND IMPORTS TO RAILWAYS AND NAVIGATIONS.

Year.	Canals (310 Miles) and Railways Open.	Exports and Imports.	Exports and Imports per Mile Open.
1839.....	1,056	£15,680,000	£14,862
1845.....	1,205	26,920,000	22,340
1853.....	1,590	47,760,000	30,087
1860.....	1,907	72,120,000	37,818
1864.....	2,220	97,380,000	42,919

This enormous increase of Belgian commerce must be ascribed to her wise system of railway development, and it is not difficult to see how it arises. Before railways, Belgium was shut out from the continent of Europe by the expensive rates of land carriage and her want of water communication. She had no colonies and but little shipping. Railways gave her direct and rapid access to Germany, Austria and France, and made Ostend and Antwerp great continental ports. One of her chief manufactures is that of wool, of which she imports 21,000 tons, valued at £2,250,000, from Saxony, Prussia, Silesia, Poland, Bohemia, Hungary, Moravia and the southern Provinces of Russia; and returns a large por-

tion in a manufactured state. She is rapidly becoming the principal workshop of the continent, and every development of railways in Europe must increase her means of access and add to her trade.

Now look at Holland, which in 1835 was so much her superior. Holland was possessed of immense advantages in the perfection of her canals, which are the finest and most numerous in the world; in the large tonnage of her shipping; in her access by the Rhine to the heart of Germany; and in the command of the German trade, which was brought to her ships at Amsterdam and Rotterdam. The Dutch relied on these advantages and neglected railways. The consequence was that by 1850 they found themselves rapidly losing the German trade, which was being diverted to Ostend and Antwerp. The Dutch Rhenish railway was constructed to remedy this loss, and was partly opened in 1853, but not fully till 1856. It succeeded in regaining part of the former connection. But now observe the result. In 1839 the Dutch exports and imports were £28,500,000, nearly double those of Belgium. In 1862 they were £59,000,000, when those of Belgium were £78,000,000. Thus while Holland had doubled her commerce, Belgium had increased fivefold and had completely passed her in the race.

Before leaving Belgium I ought to mention the cheapness of fares on her railways, which have always been much below those on English lines; a further reduction has lately been made, and I see by a French paper that the results has been to increase the passenger receipts on the State lines for the month of April from 76,936 frs. in 1865, to 198,345 frs. in 1866; of which 168,725 frs. was from third and fourth class passengers; a fact which is in favor of the plan of Mr. Galt. But it must be remembered that Belgium is the most densely populated country in the world, having 432 inhabitants to the square mile, while the United Kingdom has only 253, and England and Wales 347. A system which will pay admirably between large cities at short distances from each other, and on lines which cost little to construct, might break down completely on lines of expensive construction in more thinly inhabited districts. Mr. Galt takes his instances from railways in dense populations, and applies the rules thus obtained to railways which are under totally different conditions, and I fear that this vitiates in a great degree the soundness of his conclusions.

#### IX.—RAILWAYS IN THE UNITED STATES.

In any paper on foreign railways it is impossible to omit the United States, a country where they have attained such gigantic proportions. The increase of United States lines is as follows:

Year.	MILES CONSTRUCTED.	Total mileage.	Inc. per annum.
1830.....	.....	41	215
1840.....	.....	2,197	465
1845.....	.....	4,522	590
1850.....	.....	7,475	1,984
1855.....	.....	17,398	2,274
1860.....	.....	28,771	1,272
1864.....	.....	33,860	



The mileage here shown is something enormous: four times that of France, two and a half times that of England, and nearly as large as the total mileage of the United Kingdom and Europe, which is about 42,000 miles.

In so young a country inland traffic gives these lines the greater part of their employment, and there are no masses of expensive manufactured goods as in England or Belgium to swell the total value of foreign trade. Foreign commerce is still in its infancy, but an infancy of herculean proportions, as the following table shows:

## INCREASE OF EXPORTS AND IMPORTS.

Year.	Total exports and imports.	Increase per cent.	Inc. per ct. per annum.
1830.....	£31,000,000		
1844.....	45,759,000	47.60	3.40
1850.....	68,758,000	50.00	3.32
1855.....	111,797,000	62.60	12.52
1860.....	158,810,000	42.00	3.40

The advance in the annual increase is very striking, being from  $3\frac{1}{2}$  per cent. per annum in the infancy of railways to 8 and 12 per cent. when their extension was proceeding rapidly. Before the introduction of railways America possessed a very extensive system of canals, which amounts to nearly 6,000 miles. At the present time both canals and railways are crowded with traffic. The following table shows the relation between the growth of trade and the increase of means of communication:

## PROPORTION OF EXPORTS AND IMPORTS TO RAILWAYS AND CANALS.

Year.	Canals (6,000 miles) and railways open.	Total exports and imports.	Exports and imports per mile.
1830.....	6,040	£31,000,000	5,180
1844.....	10,810	45,759,000	4,237
1850.....	13,475	68,758,000	5,102
1855.....	23,398	111,797,000	4,778
1860.....	34,770	158,810,000	4,567

Thus, in the United States, as well as in England, France and Belgium, the exports and imports bear a distinct relation to the miles of communication open, but lower in amount than in the European countries, as was only likely from the thinner population.

Vast as is the mileage of the American railways, it is by no means near its highest point. The lines in construction, but not yet completed, are stated to be more than 15,000 miles in length, a larger number than the whole mileage of the United Kingdom, completed and uncompleted.

The manner in which these lines are made is very remarkable. The United States are very thinly populated, not containing on an average more than 32 persons per square mile in the Northern States, and 11 in the Southern. Even the most populous Northern States have only 90 per-

sons per square mile, while England and Wales have 347 per square mile. A less expensive railway, of smaller gauge, was therefore necessary, and the lines are almost invariably "single tracks." Their first cost have averaged from £7,000 up to £15,000 per mile, or about one-third of the expenditure in England. Of course they are very inferior in weight of rails and in sleepers, ballasting, stations, and efficiency. Even this expense was difficult to provide for where the inhabitants are so widely scattered. But in America the greatest encouragement is given to railroads, and every facility is afforded for their extension, as they are considered the most important sources of wealth and prosperity. Shares are taken largely by the inhabitants of the district traversed, land is often voted by the State, and the cities and towns find part of the capital by giving security on their municipal bonds.

I must not omit to mention the great Pacific railways, one of which is now being constructed from the State of Missouri for a distance of 2,400 miles across Kansas, Nebraska, Utah, and Nevada, to San Francisco, in California. It receives from the general government subsidies of £3,300, £6,600, or £9,900 per mile, according to the difficulty of the ground, besides enormous grants of land on each side of the line. When this railway is completed, the journey from Hong Kong to England will be made in thirty three days instead of the present time of six weeks, and it is anticipated that a large portion of our Chinese traffic will pass by this route.

No one can study the United States without being struck by the great railway future which lies before them, when their immense territories are more thickly peopled, and their mineral resources and manufactures have been developed. The distances to be traversed are so vast, and the traffic to be carried will be so enormous that the railways of the United States will far exceed in extent, and in the trade which will pass over them, anything that has hitherto been known in the history of the world.

#### X.—RAILWAYS AND FREE TRADE.

In the preceding sections I have endeavored to describe the progress of railway extension in England, France, Belgium and the United States, the four countries where it has received the greatest development, and I have pointed out the very great increase of commerce and national prosperity which has been its result. But in the case of England, I am bound to meet a very probable objection. I shall be asked, why do you attribute this increase of commerce mainly to railways? Was it not caused by free trade?

The general opinion undoubtedly is, that free trade is the principal cause of the immense increase since 1842 of English commerce. We see this opinion expressed every day in newspapers and reviews, in speeches and parliamentary papers. I hold in my hand a very able memorandum, lately issued by the Board of Trade, respecting the progress of British commerce before and since the adoption of free trade, in which the same view is taken, and in which the statistics of the exports and imports since 1842 are given as mainly the result of free trade. It is true that there is a reservation, acknowledging "that the increase of productive power and other causes have materially operated in effecting this vast development." But

in the newspaper quotations and reviews this reservation was left out of sight, and the striking results recorded in the memorandum were entirely ascribed to free trade.

While acknowledging to the full the great benefits and the enlightened principles of free trade, I have no hesitation in saying that this popular view is a popular exaggeration, which it is the duty of stationers to correct. and I think that my reasons will be considered satisfactory by this Society. In the first place, the development of English commerce began in 1834, before the free trade, but simultaneously with railways; and between 1833 and 1842 the exports and imports increased from a stationary position at £85,500,000, to £112,000,000, or 31 per cent. In the next place, from 1842 till 1860, England was the only country which adopted free trade. If England had also been the only country that made such enormous progress, we might safely conclude that free trade was the chief cause of so great a fact. But this is not the case. England is only one of several countries which made an equal advance during the same period, and none of those countries except England had adopted free trade. The total increase of exports and imports from 1842 to 1860 in the three first countries described in this paper, and from 1844 to 1860 in the United States, was as follows :

Country.	1842.	1860.	Increase per cent.
England.....	£112,000,000	£375,000,000	234
France.....	86,280,000	282,200,000	169
Belgium.....	19,400,000	72,120,000	272
	1844.		
United States.....	45,757,000	158,810,000	305

Thus, the English rate of increase is only third in order, and is exceeded both by Belgium and the United States. If the latter country is objected to on account of its rapid growth in population by immigration, still Belgium remains, exceeding the English rate of increase by 36 per cent. Look at the argument by induction. Here are four countries under the same condition of civilization, and having access to the same mechanical powers and inventions, which far outstrip contemporary nations. It is a probable conclusion that the same great cause was the foundation of their success. What was that common cause? It could not be free trade; for only one of the countries had adopted a free trade policy. But there was a common cause which each and all of those four countries had pre-eminently developed—the power of steam—steam machinery, steam navigation and steam railways. I say then that steam was the main cause of this prodigious progress of England, as well as of the other three countries.

But I will go a step farther. Steam machinery had existed for very many years before 1830, and before the great expansion of commerce Steam navigation had also existed for many years before 1830, and before the great expansion of commerce, and steam navigation was unable to cope with the obstacle which before 1830 was so insuperable, viz.: the slowness and expense, and limited capacity of land carriage.

I come then to this further conclusion, that the railways which removed this gigantic obstacle, and gave to land carriage such extraordinary rapidity and cheapness, and such unlimited capacity, must have been the main agent, the active and immediate cause of this sudden commercial development.

This conclusion appears to become a certainty when I find, from the investigation through which we have traveled, that in every one of these four great examples, the rapid development of commerce has synchronised with an equal rapid development of railways—nay, that the development of commerce has been singularly in proportion to the increased mileage of railways—so that each expansion of the railway system has been immediately followed, as if by its shadow, by a great expansion of exports and imports.

But I will not leave the case even here. Consider what are the burdens which press upon trade and manufactures. If our merchants could be presented with that wondrous carpet of the Genii of the "Arabian Nights," which transported whatever was placed upon it in one instant through air to its farthest destination, overleaping mountains and seas and custom houses, without expense or delay, we should have the most perfect and unburdened intercourse. But see what barriers and burdens there are in actual fact, when we trace the journey of the raw material, such as cotton or wool, to the British manufacturer, and its export as a manufactured article.

#### BURDENS UPON IMPORTS AND EXPORTS.

##### *Raw Material—*

1. Inland carriage to the sea.
2. Voyage to England.
3. Import duty.
4. Inland carriage of the manufacturer.

##### *Manufactured Article—*

5. Inland carriage to the sea.
6. Voyage to foreign country.
- Import duty.
- Inland carriage to the customer.

Here are eight distinct burdens or charges increasing the price of our manufactures to the foreign customer. Out of these—

Four are inland carriage,  
Two are navigation, and only  
Two are custom house duties.

Now, except in the case of prohibitory duties, it was undoubtedly the case that, before the introduction of railways, inland carriage was the most expensive of these burdens. In countries unprovided with canals, a very few miles of road transport was an absolute prohibition. It is so in many parts of India, Spain and Turkey at the present day. In countries provided with canals, rates were high, and transport slow, and always coming to a dead lock. Hence the relief afforded by railways, both in cheapness and saving of time, was far beyond any relief by free trade in taking off moderate duties.

In a vast number of cases railways did more than cheapen trade, they rendered it possible. Railways are the nearest approach that human ingenuity has yet devised to that magic carpet of the "Arabian Nights," for which I ventured to express a wish.

For all these reasons I maintain that we ought to give railways their due credit and praise, as the chief of those mighty agents which, within the last thirty years, have changed the face of civilization.

## XI.—RAILWAYS AND NATIONAL DEBTS.

In one important point the nations of Latin race have stolen a clear march upon the nations of Teutonic origin, of England, Germany and the United States, by their appreciation and adoption for railways of the principle of a sinking fund. The idea owes its origin to the semi-Latin, semi-Teutonic intellect of Belgium. When the Belgian Government, in 1834, projected a system of State railways, to be constructed with money borrowed by the State, they provided for the extinction of the loans in fifty years by an annual sinking fund. The amount borrowed was nearly £8,000,000 sterling, and the whole will be paid off in 1884, after which date the whole profits of the State lines, 352 miles in length, will become part of the revenue of the nation. But so good an investment are these lines that their present net income is £525,000 a year, and is increasing at a rate which promises in 1884 a net revenue of £960,000, a sum which will be sufficient to pay the interest on the whole national debt, now £26,000,000. Besides this, the conceded lines, 1,000 miles in length, will become amortized and become State property in 90 years from the beginning of their concessions, and the profits on a capital of more than 13,000,000 will then be available toward the State revenue.

This system was copied by France, and imitated from her by the other Latin nations, Spain, Portugal and Italy, as well as by the non-Latin States of Austria and Holland. All these countries, at the end of various terms of 99, 90 and 85 years will practically pay off a large portion of their national debt. Improvident Spain will pay off about £40,000,000 out of her debt of £164,000,000. Heavily burdened Austria will practically abrogate something like £65,000,000 out of her debt of £250,000,000. Italy will wipe out a large portion of her debt of £176,000,000.

But the most remarkable example is France; and I will endeavor to explain as briefly as possible the working of the French system. In France the railways are conceded for 99 years, but it is one of the conditions of the grant that all the capital whether in shares or debentures, shall be paid off within that term by an annual *amortissement*, or sinking fund. The small amount of this annual payment is very extraordinary. The French rate of interest is 5 per cent., and the annual sinking fund necessary to pay off 100 francs in 99 years is as nearly as possible .04. Put into the English form, for the sake of clearness, this means that the annual sinking fund necessary at 5 per cent. to redeem £100 in 99 years is only 1s. per annum. As debentures are issued in France for less than 99 years when part of the concession is run out, the amount of the sinking fund varies, but it is usually said to amount on the average to one-eighth per cent. As the whole expended capital of French railways represented by shares and debentures, is £233,000,000, it follows that the total annual sinking fund paid by the French companies for the redemption of that sum is less than £300,000. The result is marvellous, that for £300,000 the French nation will acquire, in less than 99 years, an unencumbered property of £233,000,000 sterling. But this is not all. The railways represented by that £233,000,000 sterling produced in 1865 a net revenue of about £12,500,000. Before 1872 further railways will have been completed, which will be amortized at the same date as their parent lines, and will produce before many years a net income of £4,000,000, making a total net income of the French railways

16,500,000. But the total charge of the French national debt in 1865 was only £16,000,000. So that France has now a system in operation which, in less than 90 years from the present time, will relieve the country from the whole burden of her national debt of nearly £500,000,000.

Is it allowable in me to ask, why are we doing nothing of the sort? When so many other nations are paying off by means of their railways a portion, or the whole of their national debts, why are we, with all our wealth and resources, to do nothing? A scheme of amortization suited to the habits of the English people, is perfectly possible, and the peculiar position of railway companies at the present moment renders it easy to carry out. I will say nothing about debentures, because a plan is now before the Government dealing with them. But, I say, respecting Share Capital, that it would be perfectly practicable for the State to become the possessor of a large proportion of this stock in a comparatively short time, and at no great expense. An annual sinking fund of 5s. per cent will pay off £100 in seventy-two years, reckoning only 4 per cent. interest. Hence, in seventy-two years, an annual sinking fund of £500,000 a year, will pay off £200,000,000. The government duty on railways amounts to £450,000 a year, and will soon reach £500,000. My proposal would be to make this a sinking fund towards purchasing £200,000,000 of preference and other stock, and let it be invested annually by the Board of Trade, or by commissioners appointed for the purpose, like those appointed for the national debt. Instead of cancelling each share as it is purchased, let it be held in trust for the nation, and the dividends applied every year in augmentation of the sinking fund. In this manner, at the end of about seventy-two years £200,000,000 of preference and ordinary share capital would become the property of the nation, and its dividends become applicable to the interest of the national debt. As railway dividends average 4 to 4½ per cent., the dividends on the redeemed capital would pay the interest on more than £250,000,000 consols, and be equivalent to the redemption of that amount of our national debt.

I believe that this is a practical scheme. In a slightly different form it is now being carried out in France, Belgium and other continental states. I trust that before long we shall cease to be almost the only nation in Europe which does not act on the principle "that railways are the true sinking fund for the payment of the national debt."

The advantages of such a sinking fund over a sinking fund invested in consols, are threefold:

1. It would be invested annually in railway capital at a higher interest, and thus accumulate more rapidly.
- 2.—It would have a different primary object, viz., the purchase of a State interest in railways, and would therefore be more likely to enlist popular feeling in favor of its maintenance.
- 3.—It would be distinct and separate from the national debt, and not under the same control, and would therefore be less liable to be diverted to the financial necessities of the hour.

Perhaps it will be said that a railway sinking fund is unsuited to the character and habits of the English people. But surely it is our character to be prudent and to pay off encumbrances, and to adopt the best means of accomplishing that object. Surely it is not right in a great and wealthy and enlightened nation like England to incur the reproach of being spendthrift of her resources and reckless of her debts.

## XII.—FURTHER RAILWAY EXTENSION.

England is undoubtedly the country in the world best provided with railways. The statistical comparison stood thus at the end of 1865:

RAILWAYS COMPARED WITH AREA AND POPULATION.

Country.	Railway Miles Open.	Square Miles per Railway Mile.	Population per Railway Mile.
England and Wales.....	9,251	6½	2,186
1. Belgium .....	1,350	8	3,625
2. United Kingdom .....	13,289	9	2,206
3. Switzerland .....	778	19	3,257
4. Prussia and Germany (except Austria). . . . .	8,589	20	3,525
5. Northern United States (Except Kansas, Nebraska and Oregon).....	24,883	25	801
6. France.....	8,184	26	4,607
7. Holland.....	373	29	9,066
8. Italy.....	2,389	41	9,084
9. Austria .....	3,785	63	9,375
10. Spain.....	2,721	67	5,991
11. Portugal .....	419	87	8,555
12. Southern United States.....	10,300	92	1,025
13. Canada .....	2,539	136	987
14. India .....	3,186	287	42,572
Total of the 14 countries.....	82,495	....	....

But England has a much greater proportion of double lines and a larger number of trains on each line; while, on the other hand, Belgium and other continental nations have lower fares and give greater accommodation to third and fourth class passengers. Both parties have something to learn—they to admit the principle of competition and increase the number of railways; we to provide cheap conveyance for the masses, without the clumsy device of excursion trains.

But now comes the question—do England and Belgium need further railways, or are they already sufficiently provided? It may partly be answered by the fact that in England there are about 3,500 miles authorized by Parliament which have not yet been made, and that in Belgium there are 450 miles (equal to 4,500 in England) conceded but not constructed. And we may also point to the circumstance that in England and Wales there were, in 1865, 6,081 miles of double line against 3,170 miles of single, showing that there is a want of cheap lines through rural districts. A glance at the railway map will confirm this inference. The lines run in the direction of the metropolis or some great town, and there are few cross-country lines. The distance between the lines supports this conclusion. Deducting the manufacturing districts, which are crowded with a railway network, the remainder of the country gives an average of about fifteen miles between each mile of railway. The average ought not to be more than eight or ten miles.

The advantage of a railway to agriculture may be estimated by the following facts. A new line would, on an average, give fresh accommodation to three and a-half miles on each side, being a total of seven square miles, or 4,560 acres for each mile of railway. It would be a very moderate estimate to suppose that cartage would be saved on one ton of pro-

duce, manure, or other articles for each acre, and that the saving per ton would be five miles at 8d. per mile. Hence the total annual saving would be £768 per mile of railway, which is 5 per cent interest on £15,000. Thus it is almost impossible to construct a railway through a new district of fair agricultural capabilities without saving to the landowner and farmer alone the whole cost of the line. Besides this, there is the benefit to the laborers of cheap coals and better access to the market. There is also the benefit to the small towns of being put into railway communication with larger towns and wholesale producers. And there is the possibility of opening up sources of mineral wealth.

Somebody ought to make these agricultural lines, even though they may not pay a dividend to the shareholder. But who is that somebody to be? The great companies will not take the main burden lest they should lower their own dividends. The general public will not subscribe, for they know the uncertainty of the investment turning out profitable. And notwithstanding the able letters signed "H" in the *Times* some months ago, I cannot advocate the necessarily wasteful system of contractors' lines, or believe in the principle "Never mind who is the loser, so that the public is benefitted." Railway extension is not promoted in the long run by wasteful financing and ruinous projects. On the contrary, such lines injure railway extension, by making railways a bye-word and depreciating railway property, and they render it impossible to find supporters for sound and beneficial schemes.

The proper parties to pay for country lines are the proprietors and inhabitants of the districts through which they pass. They are benefitted even if the line does not pay a dividend. They have every motive for economical construction and management, and can make a line pay where no one else can. But they will not subscribe any large portion of the capital as individuals. Very few will make a poor investment of any magnitude for the public good, though all might be ready to take their part in a general rate. Almost every country but our own has recognized the fact, and legislated on this basis, by empowering the inhabitants of a district which would be benefitted to tax themselves for the construction of a railway. I have shown that in France either the department or the commune may vote a subvention out of their public funds, and that in the United States the municipalities vote subsidies of municipal bonds. In Spain the provinces and the municipalities have the power to take shares or debentures, or if they prefer it, to vote subventions or a guarantee of interest. In Italy the municipalities do the same thing. Why should not England follow their example, and authorize the inhabitants of parishes and boroughs to rate themselves for a railway which will improve their property, or empower them to raise loans on the security of the rates, to be paid off in a certain number of years by a sinking fund, as is done for sanitary improvements? I see no other way of raising the nucleus of funds for carrying out many rural lines which would be most beneficial to the country.

I can give a remarkable instance of the benefits caused by an unremunerative railway. In 1834 the inhabitants of Whitby projected a line from Whitby along the valley of the Esk to Pickering, half way to York. The line was engineered by George Stephenson, and was originally worked by horse-power and carriages on the model of the four-horse



coaches. But though considered at that time one of the wonders of the world, the line was utterly unprofitable, and the Whitby people looked upon it as a bad speculation, much as the shareholders of the London, Chatham and Dover look on their present property. The railway was ultimately sold to the North Eastern Company; but though the shareholders got no advantage, somebody else did. Farmers and laborers came to market in Whitby, and got coals and other necessities at reduced rates, while they sold their produce better. Very soon rents began to rise, and I find the total rise since the construction of the railway has been from an average of 15s. per acre up to 22s., or nearly 50 per cent. But far greater consequences resulted. The cliffs at Whitby were known to contain nodules of ironstone, which were picked up and sent to iron-works on the Tyne. Soon after the opening of the railways, George Stephenson and a number of Whitby gentlemen formed a company, called the Whitby Stone Company, for working stone quarries and ironstone mines at Grosmont, about six miles up the railway. At first the ironstone was very badly received by the iron founders, and it was only after long and patient perseverance that the company got a sale for what they raised. It was not till 1844 and 1846 that the merits of the Cleveland ironstone were fully acknowledged and large contracts entered into for its working throughout the district. Thus the unprofitable Whitby and Pickering Railway opened up the Cleveland iron district and caused the establishment of a very large number of foundries and the employment of thousands of workmen, and has added very materially to the wealth of England.

### XIII.—CONCLUSION.

From the facts which have been brought forward I draw the following conclusions:

1.—Railways have been a most powerful agent in the progress of commerce, in improving the condition of the working classes and in developing the agricultural and mineral resources of the country.

2.—England has a more complete and efficient system of railways than any other country, but is not so far ahead that she can afford to relax her railway progress and to let her competitors pass her in the race.

3.—England ought to improve the internal organization of her railways, both as to finance and traffic, and to constitute some central authority with power to investigate and regulate.

4.—A Sinking Fund should be instituted to purchase for the State a portion of the railway capital, and so to lighten the charge of the national debt.

5.—Power should be given to parishes and boroughs to rate themselves in aid of local railways, in order to facilitate the construction of country lines.

6.—England, as a manufacturing and commercial country, is benefited by every extension of the railway system in foreign countries, since every new line opens up fresh markets and diminishes the cost of transporting her manufactures.

I cannot conclude without saying a word on the future of railways. The progress of the last thirty-six years has been wonderful, since that period has witnessed the construction of about 85,000 miles of railway.

The next thirty-six years are likely to witness a still greater development and the construction of far more than 85,000 miles. We may look forward to England possessing, at no distant date, more than 20,000 miles, France an equal number and the other nations of the continent increasing their mileage until it will bear the proportion of 1 railway mile to every 10 square miles of area, instead of the very much less satisfactory proportions stated in the comparative table. We may expect the period when the immense continent of North America will boast of 100,000 miles of line, clustered in the thickly-populated Eastern States and spreading plentifully through the Western to the base of the Rocky Mountains and over to California and the Pacific. We may anticipate the time when Russia will bend her energies to consolidating her vast empire by an equally vast railway network. We may predict the day when a continuous railroad will run from Dover to the Bosphorus, from the Bosphorus down the Euphrates, across Persia and Beloochistan to India, and from India to China. We may look for the age when China, with her 350,000,000 of inhabitants, will turn her intelligence and industry to railroad communication.

But who shall estimate the consequences that will follow, the prodigious increase of commerce, the activity of national intercourse, the spread of civilization, and that advance of human intelligence foretold thousands of years ago by the prophet upon the lonely plains of Palestine, "when many shall run to and fro upon the earth, and knowledge shall be increased?"

NOTE.—Since reading this paper before the Society, my attention has been called to an article on French railways in the *Revue des deux Mondes* of 1st January, 1866, by M. Lavollée, which, written many months previously, confirms most strikingly my conclusions, especially those which relate to the effect of railways on French commerce and on the welfare of the working classes. It adds many eloquent reflections on railways in relation to civilization and progress, which are well worth perusal.

In the discussion which followed the reading of my paper, the President expressed a wish that I should add information respecting fares and rates and other points connected with railway working. But I find the subject too extensive for a cursory notice, and the forthcoming Evidence and Report of the Royal Commission on Railways will afford opportunity and material for a more complete survey, which, I trust, will be undertaken by some member of the Society connected with railways.

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### DEBTS AND TAXATION OF OUR LARGE CITIES.

We have been at considerable pains to procure statistics throwing light upon the changes in the fiscal condition of our large cities within the last six years. Owing to the incompleteness of returns, our material for this purpose is much less comprehensive than we could have desired. The figures obtained, however, have been derived from official sources and will at least afford data for general estimates approximating accuracy. We are enabled to present complete details of population, valuation and

indebtedness from fourteen of the principal cities, and the rule found to obtain in these cases may perhaps be assumed to apply to our cities generally. The valuation given is in each case that made for the purpose of local assessments, and although the best attainable, is well known to fall much below the real value of the property—a fact for which due allowance must be made in estimates. On the other hand, the figures representing the indebtedness of the cities may lead to exaggerated estimates in those cases where the corporations hold assets in the shape of securities, productive real estate or sinking funds. Our chief purpose, however, being to ascertain the changes in the amount of the city debts, as it may be assumed that no important fluctuations have occurred in the list of assets, the omission of this data is not material to the result sought. The following table shows the population, valuation and debt of fourteen principal cities in 1860 and 1866 respectively :

CITIES.	Population.—		Valuation.—		Indebtedness.—	
	1860.	1866.	1860.	1866.	1860.	1866.
New York... <i>N. Y.</i>	813,669	900,800	576,631,707	737,969,908	23,452,644	41,701,176
Philadelphia... <i>Penn.</i>	565,629	624,088	...	...	24,029,735	35,165,721
Brooklyn... <i>N. Y.</i>	266,861	300,000	106,174,507	132,427,840	7,643,869	10,023,419
Baltimore... <i>Md.</i>	312,418	339,070	119,461,715	139,001,008	17,903,865	21,923,666
Boston... <i>Mass.</i>	177,840	192,324	276,861,000	371,892,775	9,322,799	12,545,376
Cincinnati... <i>Ohio.</i>	161,044	192,353	91,961,376	130,745,968	3,752,000	3,203,000
St. Louis... <i>Mo.</i>	160,773	204,827	102,408,230	123,877,200	5,006,700	8,844,000
Chicago... <i>Ill.</i>	109,260	200,418	37,063,512	85,953,250	2,085,000	5,297,464
Buffalo... <i>N. Y.</i>	81,129	94,502	...	...	573,000	654,000
Newark... <i>N. J.</i>	71,214	87,418	30,045,269	...	316,000	833,000
Louisville... <i>Ky.</i>	68,083	100,000	27,872,008	43,107,569	2,001,000	4,118,000
Albany... <i>N. Y.</i>	63,867	62,613	24,953,868	...	2,570,850	2,433,500
San Francisco... <i>Cal.</i>	60,803	80,000	35,809,639	76,973,470	2,292,519	4,947,298
Providence... <i>R. I.</i>	50,666	54,596	61,118,200	...	1,400,000	1,400,000

A glance at the column of valuation will show that the increase has not kept pace with the actual increase of the value of property. In nearly all the large cities real estate is now worth nearly double its value in 1860 ; yet the increase in the official figures shown above does not average over 30 per cent. Perhaps it may be safely assumed that the assessment valuation, considering what it omits as well as what it underestimates, does not represent more than half the real value of property in the several cities.

The aggregate indebtedness of the above cities has been increased during the six years from about \$103,500,000 to about \$149,500,000. This gives an average increase of about 45 per cent. In the case of the Western cities the increase has been comparatively light. Cincinnati has reduced its debt \$500,000, while St. Louis has added only \$640,000 to its indebtedness. In the case of Chicago there is a very decided increase, but chiefly owing to the construction of extensive public works. The increase is in the largest ratio in the cities of New York, Philadelphia, Boston, Brooklyn and Baltimore, where heavy debts have been incurred for military purposes. In order to estimate the relation of the valuation and debts of the cities to their respective populations, it is necessary to divide each item by the total populations ; by which process we

\* No proper valuation stated in reports.

obtain the following result, showing the valuation and the debt per head of the population of each city:

CITIES.	Valuation.		Indebtedness.			
	Per capita Pop.		Per capita.		Per cent of Val.	
	1860.	1866.	1860.	1866.	1860.	1866.
New York..... <i>N. Y.</i>	\$ 709	\$ 820	\$28.87	\$46.33	4.07	5.65
Philadelphia..... <i>Penn.</i>	.....	.....	42.49	56.52	.....	8.11
Brooklyn..... <i>N. Y.</i>	894	411	23.04	33.41	7.87	15.77
Baltimore..... <i>Md.</i>	563	551	54.29	91.73	14.98	8.45
Boston..... <i>Mass.</i>	1,337	1,934	53.81	66.80	8.89	2.45
Cincinnati..... <i>Ohio.</i>	880	490	23.29	16.57	4.03	4.45
St. Louis..... <i>Mo.</i>	637	621	31.14	37.63	4.69	6.29
Chicago..... <i>Ill.</i>	340	429	19.18	26.93	5.05	.....
Buffalo..... <i>N. Y.</i>	.....	.....	7.13	.....	1.05	.....
Newark..... <i>N. J.</i>	418	.....	4.89	9.53	10.76	9.55
Louisville..... <i>Ky.</i>	469	421	44.11	41.18	6.29	.....
Albany..... <i>N. Y.</i>	894	.....	24.79	.....	8.53	6.51
San Francisco..... <i>Cal.</i>	630	949	52.69	61.84	2.39	.....
Providence..... <i>R. I.</i>	1,206	.....	27.63	.....	.....	.....

Here, again we must caution our readers against a too strict use of the column of valuations. The usage in the different cities in making this assessment varies so widely that the differences in the amount of estate per head shown above must be accepted with very broad allowances. The fact, for instance, that the valuation *per capita* in Boston is \$1,934, and in New York only \$820, is to be chiefly accounted for by the circumstance that in the former city the official valuation runs closely upon the real value, while in the latter it falls very far below. The column showing the increase of debt per head of the population is of special interest. Upon this basis of comparison, which is the true one, the Western cities, except Chicago, indicate a falling off in the ratio of indebtedness. In the Eastern and Middle States the increase is very large. In New York city the ratio has risen within the six years from \$28.87 per head to \$46.33; in Philadelphia, from \$42.49 to \$56.52; in Baltimore, from \$54.29 to \$91.73; and in Boston from \$52.81 to \$66.80; while in San Francisco, which has been supposed to have felt the pressure of the times lightly, the change has been from \$52.69 to \$61.84. In explanation of the high figures assigned to Baltimore, it should be stated that the city holds valuable interest-bearing assets, which would reduce its net debt to very moderate dimensions. The same fact is also true, only to a less extent, of some of the other cities.

This additional indebtedness, however, affords an imperfect criterion of the real augmentation of the burthens of our city population. Not only has the interest account been increased to an extent corresponding with the above shown increase of debts, but the local expenditures also have been largely, not to say extravagantly augmented. We must, therefore, look to the tax list for evidence of the weight of our present burthens compared with those of 1860. For this purpose we select the only six cities from which we are in possession of complete returns. The following is a statement of the amount of taxes assessed in the cities named for city and county purposes for the years 1860 and 1866, and their relation to population:

	Amount.		Rat' p. capl.	
	1860.	1866.	1860.	1866.
New York.....	\$7,649,873	\$15,605,806	\$9.40	\$17.34
Philadelphia.....	2,334,533	5,084,589	4.13	8.17
Boston.....	2,294,533	4,224,202	12.90	21.98
Cincinnati.....	1,298,621	2,010,322	8.06	10.39
Chicago.....	373,815	1,719,044	2.43	8.57
San Francisco.....	796,666	1,495,657	14.08	18.71

## FIRE BUSINESS.

1860 .....	1,049,551,594	\$6,710,413	\$3,578,934	53.33	.3410	223.26	.6892
1861 .....	1,037,112,596	6,161,507	3,274,115	53.14	.3183	312.71	.6909
1862 .....	1,300,721,130	6,866,355	4,327,157	61.56	.3521	234.05	.5733
1863 .....	1,560,657,139	8,987,315	3,849,945	37.37	.2146	465.88	.5805
1864 .....	2,842,668,111	12,335,733	7,195,271	54.00	.3071	335.58	.5683
1865 .....	2,510,598,187	17,053,066	12,046,793	70.65	.4799	308.40	.6792
1866 .....	2,753,493,107	20,786,847	13,312,751	73.67	.5561	179.62	.7549
Agg & av....	12,444,836,864	79,800,309	49,964,968	61.32	.3386	254.05	.6420

It appears from the above that the losses have increased to an alarming extent within the past two years. Indeed, without the figures the fact is too well known to the public. The remedy to be applied to save insurance companies from total annihilation has been discussed in these columns. Mr. Barne's evidently inclines to the plan of not insuring property to its full value as the surest safeguard against incendiary fires. His argument is forcible and is especially worthy of consideration from the fact that it is based upon the simplest principles of common sense, and not upon the assumption that a large proportion of insurers are scoundrels. He remarks as follows:

In all insurance economics, the relations of underwriter and policy holder should be so contrived, that in no contingency could the latter *gain* by a *loss* on his policy; the pecuniary interest of the insured should never conflict with his duty to prevent, by all possible means, any loss under his policy.

In fire insurance, the downward tendencies of a declining market and the nervous apprehensions of an approaching financial crisis have, especially on mercantile risks, often made it for the pecuniary interest of the insured that a destructive fire should happen. Thus, with low or diminishing net premiums, the moral hazards have been woefully increased, and the sad results are now historic, in the years 1865 and 1866, two consecutive years of excessive and unprecedented loss.

To the extent that fire insurance relaxes the vigilant care and natural guardianship of the owner over his own property, and prevents the construction of fire-proof buildings and the discovery of rapid means of extinguishing conflagrations, the political and social economist and statesmen cannot hesitate emphatically to denounce and condemn it. The natural guardian of property should never lose an interest in its preservation. No care of children can, as a general rule, equal parental care, and no watchman is so continuously vigilant as the owner. When property is fully insured and the premium paid, how can an underwriter reasonably expect that, with all the harassing cares and solitudes of modern business life, the owner will watch and guard and protect it against hazards, for the happening of which he has already paid a strong and wealthy corporation? When companies ask and expect this solicitude and surveillance on the part of a policy-holder fully insured, they violate the plainest axioms of business and common sense. This, when dealing with men of good principles and thorough honesty; and no mathematics can compute how much these hazards are increased when dealing with elements of fraud, chicane and land piracy.

Could the plan of partial insurance be carried out without seriously impeding the movements of commerce, and frequently resulting in losses to parties who are both careful and honorable, we should be inclined immediately to advocate its adoption as the surest means of protection to insurers. But we do not think it could be; the result of such a rule would leave innocent parties, particularly agents who have made advances, or others having only a partial or temporary interest in property, without any adequate safeguard against losses. In default of any suggestion which seems to meet all the difficulties of the case more satisfactorily we must adhere to the opinions previously expressed in

these columns, that the most effective, if not the only remedy that the case admits of is to be found in a thorough examination into the causes of all fires, and also in the non-payment of the amount insured until it is at least established that the loss is not of incendiary origin. A committee or board should be organized, the members to be chosen by all the companies, whose duty it should be to make the examination. If this were done the insurance business could be reduced to a proper basis, and no insurer would be called upon to pay for his neighbor's dishonesty or for his neighbor's greater risk. At present, no sooner does a company hear of a loss than it hurries to the insured with a check in hand to liquidate it, thus making a bid for future business. This is clearly wrong. Of course, no unnecessary impediment should be put in the way of prompt payment, but it is due alike to the company and its patrons that there should first be a proper investigation.

In conclusion Mr. Barnes says, and in this we believe all the most prudent writers will agree with him, that the remedy for weakness is increased strength; this must be reached either by means of new additional capital, or by a reserve of premiums paid for by the public but retained by the companies in some form as a Safety Fund, for the payment of extraordinary losses and contingencies. Whether the ownership of this fund is vested in the policy holders and represented by scrip, or in the stockholders and held as a "reserve fund," or in both and represented in any form, is of less consequence to the public than the practical initiation, on a broad and general basis, of some system of fortification besides capital, which is often strained beyond endurance, and besides the ordinary re-insurance reserve of *fifty* per cent to pay losses, which last year have actually taken over *seventy-seven* per cent. of premiums.

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## COMMERCIAL LAW.—No. 35.

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### OF LIFE INSURANCE.

(Continued from page 41, vol. 57.)

#### OF THE PURPOSE AND METHOD OF LIFE INSURANCE.

If A insures B a certain sum, payable at B's death to B's representatives, we have only the insurer and insured, as in other cases of insurance. But if A insures B a sum payable to B or his representatives on the death of C, although C is often said to be insured, this is not quite accurate; more properly, B is the *insured* party and C is the *life-insured*.

Life insurance is usually effected in this country in a way quite similar to that of fire insurance by our mutual companies. That is, an application must be first made by the insured; and to this application queries are annexed by the insurers, which relate, with great minuteness and detail, to every topic which can affect the probability of life. These must be answered fully; and if the insurer be other than the life-insured, there

are usually questions for each of them. There are also, in some cases, questions which should be answered by the physician of the life-insured, and others by his friends or relatives; or other means are provided to have the evidence of the physician and friends.

These questions are not, perhaps, precisely the same, in the forms given out by any two companies, and we do not speak of them in detail here. The rules as to the obligation of answering them, and as to the sufficiency of the answers, must be the same in life insurance that we have already stated in the chapters on Fire and Marine Insurance; or rather must rest upon the same principles. And the same rules and principles of construction therein set forth would doubtless be applied to the question whether a contract had been made, or at what time it went into effect.

#### OF THE PREMIUM.

If the insurance be for one year or less, the premium is usually paid in money, or by a note, at once. If for more than a year, it is usually payable annually. But it is common to provide or agree that the annual payment may be made quarterly, with interest from the day when the whole is due. Notes are usually given, but, if not, the whole amount would be considered due. If A, whose premium of \$100 is payable for 1856 on the 1st day of January, then pays \$25, and is to pay the rest quarterly, but dies on the 1st of February, the \$75 due, with interest from the 1st of January, would be deducted from the sum insured.

Provision is sometimes made that a part of the premium shall be paid in money, and a part in notes, which are not called in unless needed to pay losses. The greater the accommodation thus allowed, the more convenient it is obviously to the insured, but the less certain will be of the ultimate payment of the policy, because, in the same degree, the fund for the payment consists only of such notes, and not of payments actually made and invested. There is a great diversity among the life insurance companies in this respect. But even the strictest, or those which require that all the premiums shall be paid in money, usually provide also that an amount may remain overdue, without prejudice, which does not exceed a certain proportion—say one-half or one-third—of the money actually paid in on the policy. This is considered, under all ordinary circumstances, safe for the company, because every policy is worth as much as this to the company. Or, in other words, it would always be profitable for the company to obtain a discharge of its obligation on a policy, by repaying the insured so small a proportion of what has been received from him.

#### OF THE RESTRICTIONS AND EXCEPTIONS IN LIFE POLICIES.

Our policies usually contain certain restrictions or limitations as to place; the life-insured (he whose life is insured for his own or another's benefit) not being permitted to go beyond certain limits, or to certain places. But there is nothing to prevent a bargain permitting the life-insured to pass beyond these bounds, either in consideration of new and further payments, or of the common premium.

So certain trades or occupations, as of persons engaged in making gun powder, or of engineers or firemen about steam-engines, are consid-

ered extra-hazardous, and as, therefore, prohibited, or requiring an extra premium.

The exception, however, which has created much discussion, is that which makes death by suicide an avoidance of the policy. The clause respecting duelling is plain enough; and no one can die in a duel without his own fault. But it is otherwise with regard to self-inflicted death. This may be voluntary and wrongful, or the result of insanity and disease for which the suffering party should not be held responsible. If a policy is accepted, which expressly declares that the sum insured shall not be payable if the life-insured die by his own hands, whether wilfully, knowingly or intentionally, or otherwise, there is no doubt that this clause would have its full and literal effect. But it might then be very difficult to limit its application. If, for example, a nurse gave a sick man a fatal dose by mistake, and he took the glass in his hand, and put it to his lips, drank, and died, it might fall within the language of such a provision, but could hardly come within any principle that would be recognized. Most persons die by their own act, in this sense; because most owe their death to some act or acts of indiscretion or exposure. The insurers may except any kind of death, as they may except death by a certain disease, or by a certain cause or in a certain place. The difficult question is, what is the construction and operation of law, where the clause is only "death by his own hands," or some equivalent phrase?

Although strong authorities favor that construction of any clause of this kind which would avoid the policy if death were actually self-inflicted, although in a state of insanity, the opposite view is also well sustained. And we are of opinion that the general principles of law of contracts, and of the law of contracts, and of the law of insurance particularly, would lead to the conclusion that "death by his own hands," but without the concurrence of a responsible will or mind, would not discharge the insurers, without a positive provision to that effect. We should put such a death on the same footing with one resulting from a mere accident, brought about by the agency, but without the intent, of the life-insured. As if, in a case like that above supposed, poison were sent to him by mistake for medicine, and he swallowed it under the same mistake.

It was once made a question, upon which high authorities differed, whether death by the hands of justice discharged the insurers when the policy made no express provision for this. Perhaps the weight of authority is in the affirmative. But the question has now but little practical importance, as our policies always express this exception.

Although a policy express that it shall not take effect until the premium is paid, this payment may be waived by the company. Taking a note would certainly be a waiver, if not a payment. The premiums, after the first, must be paid on the days on which they fall due. If no hour be mentioned, then it is believed that the insured would have the whole day, even to midnight. It is possible, however, that he might be restricted to the usual hours of business, and perhaps even to those in which the office of the insurers is open for business. In some policies a certain number of days is allowed for the payment of the premium. Then, if the loss happen after the premium is due and unpaid, and during this number of days and before they have expired, but after the loss, the premium is paid, the insurers should be bound by this subsequent payment of the premium by the insured



insured creditor shall transfer to the company an amount of his debt equal to that for which he is insured ; and then if the debt is paid it must be paid to them.

A difficult question arises, when the insurers on the death of a debtor pay the sum they insured to the creditor, and the representatives of the debtor, or a surety or guarantor of the debt, defend themselves against the creditor on the ground that the debt is paid and fully discharged by the payment under the policy. The cases may not settle this question ; nor does the practice, so far as we are aware of it. The general principles of all insurance would lead to the conclusion that by such payment the debt is paid, so far as the creditor is concerned ; but that the insurers have by substitution the rights of the insured, and may prosecute, in his name, but for their own benefit, any action against the estate or representatives of the debtor which the creditor might prosecute himself. Recent adjudication, to which we alluded in the last paragraph, would, however, lead to a different conclusion, and deny the insurers any benefit from the debt, and oblige representatives of the debtor to pay it to the creditor, to whom it had been also paid by the insurers.

#### OF THE ASSIGNMENT OR A LIFE POLICY.

Life policies are assignable at law, and are very frequently assigned in practice. A large proportion of the policies which are effected, are made for the purpose of assignment ; that is, for the purpose of enabling the insured to give this additional security to his creditor. If the rules of the company or the terms of the policy refer to an assignment of it, they are binding on the parties. On the one hand, an assignment would operate as a discharge of the insurers, provided a rule or expressed provision gave this effect to the assignment. And, on the other, if the agreement were that the policy continue in favor of the assignee, even after an act which discharged it to the insured himself, as, for example, his suicide, the insurers would be bound by it.

It is an important question, what constitutes an assignment. The general answer must be, any act distinctly importing an assignment. And, therefore, a delivery and deposit of the policy, for the purpose of assignment, will operate as such, without a formal written assignment. So will any transaction which gives to a creditor of the insured a right to payment out of the insurance.

It seems, however that delivery is necessary. And where an assignment was indorsed on the policy, and notice given to the insurer, but the policy remained in the possession of the insured, it was held that there was no assignment. Where, however, the assignment was by a separate deed, which was duly executed and delivered, this is an assignment of the policy, without actual delivery of the policy itself. And a mere verbal promise to assign, a valuable consideration being received for the promise, has been held good as against the insured ; and, perhaps, after proper notice, against his assignee in bankruptcy.

This subject of assignment is frequently regulated by the by-laws of the insurers, or by the terms of the policy. Where it is not, we see no reason for saying that the right to know and choose the party assured does not apply, as in other kinds of insurance ; and consequently the insurers are

discharged if there be an assignment without their knowledge and consent. The cases, however, do not settle this question, and there opinions that life insurance is in this respect distinguished from other insurance.

#### OF WARRANTY, REPRESENTATION AND CONCEALMENT.

The general principles on this subject are the same which we have already stated in reference to other modes of insurance. In life policies, however, the questions which must be answered are so minute, and cover so much ground, that no difficulty often arises except in relation to the answers. One advisable precaution is for the answerer to discriminate carefully between what he knows and what he believes. If he says simply "yes" or "no," or gives an equivalent answer, this is in most cases a strict warranty, and avoids the policy if there be any material mistake in the reply. But where the answerer adds the words "to the best of my knowledge and belief," he warrants only the facts of his belief, or, in other words, nothing but his own entire honesty.

The cases which turn upon the answers to the questions are very numerous, but they necessarily rest upon the especial facts of each case and hardly permit that general rules should be drawn from them. Some, however, may be stated.

The first is, that perfect good faith should be observed. The want of it taints a policy at once, and the presence of it goes far to protect one. Thus, where the life-insured was beginning to be insane, but was wholly unconscious of it, the policy was not vitiated by the concealment; although two doctors in attendance upon him knew how the case stood.

There is a warranty, or statement, usually making a part of nearly all life policies; it is that the life-insured is in good health. But this does not mean perfect health, or freedom from all symptoms or seeds of disease. It means reasonably good health; and loose as this definition or rule may be, it would be difficult to give any other. And if a jury on the whole are satisfied that the constitution of one warranted to be "in good health" is radically impaired and the life made unusually precarious, there is a breach of the warranty, although no specific disease is shown which must have that effect. On the other hand, this warranty is not broken by the presence of a disease, if that be one which does not usually tend to shorten life (in one English case dyspepsia was said to be such a disease), unless it were organic, or had increased to that extreme degree as to be of itself dangerous.

Consumption is the disease which is most feared in this country as well as in England. And the questions which relate to the symptoms of it, as spitting of blood, cough and the like, are exceedingly minute. But here also there must be a reasonable construction of the answers. Thus, if spitting of blood be positively denied, there is no falsification in fact, though literally speaking the life-insured may have spit blood many times, as when a tooth was drawn, or from some accident. If there be an action on the policy, and the insurers rest their defence on any falsification of this kind, the question usually put to the jury is, Was the party affected by any of these or similar symptoms, in such wise that they indicated a disorder tending to shorten life? And any symptom of this kind, however slight—as a drop or two of blood having ever flowed from inflamed

or congested lungs—should be stated. In a case in Massachusetts, an applicant for life insurance answered an interrogatory whether he had ever been afflicted with a pulmonary disease in the negative, and in answer to an interrogatory whether he was then afflicted with any disease or disorder, and what, stated that he could not say whether he was afflicted with any disease or disorder, but that he was troubled with a general debility of the system; and it was proved that the applicant was then in a consumption, the symptoms of which had begun to develop themselves five months before and were known to him, but were not disclosed to the insurers, although sufficient to induce a reasonable belief on the part of the applicant that he had such a disease. It was held that, whether these statements amounted to a warranty or not, they were so materially untrue as to avoid the policy, although the insured, at the time of his application, did not believe that he had any pulmonary disease, and the statement made by him was not intentionally false, but, according to his belief, true.

The insurers always ask who is the physician of the life-insured, that they may make inquiries of him if they see fit. And this question must be answered fully and accurately. It is not enough to give the name of the usual attendant, but every physician really consulted should be named and every one consulted as a physician, although he is an irregular practitioner or quack.

If the warranty be that the life-insured is a person of sober and temperate habits, it has been held, in an action on such a policy, that the jury are not to inquire whether his habits of drinking are such as might injure his health; for if he has any "habits of drinking," this would discharge the insurers, because they have a perfect right to say that they will insure only those who are temperate. But it might be answered, that although the insurers have this right, and there may be good reasons why this should be the general practice, yet unless they use the word "abstinence," or something equivalent, they have no right to say that any one is not "temperate" who does not drink enough to affect his health; for certainly all "intemperance" does this.

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### NEW YORK CITY GOVERNMENT AND FINANCES.

The statement submitted to the Board of Supervisors by the Comptroller, giving the financial condition of the City of New York, and the aggregate taxation required for the maintenance of the Government, is well calculated to excite a lively apprehension, showing, as the figures do, a steady increase of expenditure, far disproportionate with that of wealth and population. The Comptroller, therefore, appeals to the Constitutional Convention now in session at Albany, to devise some more economical method of maintaining the city and county governments, and declares that there can be no just cause for such an increase of taxation. He also very properly urges the Board of Supervisors, and through them all Boards and Commissioners authorised to disburse the public moneys, to exercise the greatest prudence and economy in all expenditures with which they are charged.

The management of public affairs in the City of New York has long been a prolific theme for criticism and wordy declamation. This is no recent thing; for we remember that in 1849 the Democratic City Convention put forth an address in favor of Myndert Van Schaick for Mayor, in which censures were freely bestowed upon the administration of affairs, very similar to those which are current at the present time. The remedy then proposed and afterward applied was the revision of the charter of the city, by which the executive and administrative branches of the government shall be separated from the legislative, and devolved upon departments. The result proves that the experiment was not a successful one. The expenses were increased more rapidly than ever, as the following table will show :

Year.	Valuation.	Total tax.	Year.	Valuation.	Total tax.
1825.....	\$101,160,046	\$397,448 85	1851.....	390,110,857	2,994,455 94
1830.....	125,288,518	509,178 44	1852.....	351,768,436	3,380,511 80
1835.....	213,723,703	965,602 94	1853.....	413,331,333	5,066,698 74
1840.....	252,233,515	1,354,835 29	1854.....	462,021,734	4,845,336 07
1845.....	239,965,517	2,006,191 18	1855.....	486,998,278	5,843,832 89
1849.....	256,197,143	3,005,763 53	1856.....	511,740,481	7,075,425 72
1850.....	266,061 816	3,230,085 03			

A later mode of decreasing the expenditures has been by means of commissions appointed at Albany. Under this system in 1857 the Legislature enacted the Metropolitan Police Bill, which removed the police from the control of the municipal authorities, and devolved them upon a Board of Commissioners appointed by the Governor and Senate. This department of the government has been for many years growing into a costly body. The following table shows the increase under the last years of the two municipal systems and the first years of the metropolitans :

1851.....	\$492,000	1856.....	\$819,000
1852.....	510,000	1857.....	823,000
1853.....	540,000	1858.....	858,588
1854.....	615,000	1859.....	1,211,992
1855.....	872,060	1860.....	1,325,560

In 1860 the Legislature made another change by enacting that the Board of Supervisors should annually cause to be raised by tax the amount of money required from the city for the total expenses of the police district, since which time the police items do not appear in the tax levies enacted annually at Albany. The amounts since appropriated by the Board of Supervisors have been as follows :

1862.....	\$1,683,650	1865.....	\$2,211,556
1863.....	1,743,920	1866.....	2,166,684
1864.....	2,062,720	1867.....	2,531,347

These figures certainly do not indicate that the change of systems worked any decrease in the expenses of the police.

The statistics of the Governors of the Alms House show also a similar tendency to increase, as may be seen in the following table :

1860.....	\$400,000	1866.....	\$613,450
1861.....	380,000	1867.....	925,000
1862.....	390,000	1868.....	843,800
1864.....	385,000	1869.....	905,000
1865.....	427,000	1860.....	780,250

On the last night of the session of 1866 the Legislature abolished this

Board and created the Department of Public Charities. In 1865 their expenditures amounted to \$988,450. They have not materially increased.

The public schools also constitute an item continually on the increase. The following is a table of the expenses from 1850 to 1859 :

1850 .....	\$367,968	1855 .....	\$956,000
1851 .....	447,487	1856 .....	1,032,354
1852 .....	502,315	1857 .....	1,160,410
1853 .....	604,000	1858 .....	1,226,012
1854 .....	668,814	1859 .....	1,216,000

In 1865 the amount appropriated was \$2,298,508 58; and several hundred thousand dollars have been since added. The Comptroller states it at \$2,939,348. The other Boards and Departments have a similar record to show. These figures indicate the tendency of matters both before the adoption of the expedient of governing by commissioners, and the tendency since that time, to have been the running year by year into prodigality and extravagant expenditure. In fact, this large increase would appear to have taken its rise on the first division of the Government into irresponsible departments. We have given above the total yearly aggregate and taxation from 1825 to 1856; we now add the figures for each year since the passage of the Metropolitan Police Act :

Year.	Valuation.	Aggreg'e tax	Year.	Valuation.	Aggreg'e tax
1857.....	\$521,775,253	\$1,111,758 09	1862.....	\$571,967,345	\$2,906,271 10
1858.....	531,194,290	8,631,091 31	1863.....	594,196,813	12,091,508 14
1859.....	551,922,123	9,860,926 09	1864.....	634,615,890	13,705,092 86
1860.....	577,320,956	9,758,507 86	1865.....	606,784,355	13,202,567 56
1861.....	581,579,971	11,627,632 28	1866.....	737,969,908	16,950,767 83

The amount of revenue required for 1867 is put down by the Comptroller at \$21,889,655 98. The Board of Supervisors will somewhat modify this aggregation, but the rate of taxation cannot vary greatly from three per cent.

How these rapidly increasing expenses can be stopped is of course a vital question. Much is expected from the deliberations of the Constitutional Convention, and we trust that their first effort in the way of solving the problem will be to give us a homogenous efficient municipal government. With this change, it strikes us that many of the difficulties in the way of initiating reform would be removed. The plurality of the functions, and the division of them into departments virtually independent of each other, totally overthrows responsibility, and tolerates the introduction of abuses which are hard to redress. A complete deliverance from this incongruous medley of state, county and city departments is then of the first importance. Many other changes have been proposed. The most important perhaps is that suggested by, we believe, the Citizens' Association, to the effect that one branch of the Common Council be composed of members elected only by taxpayers, and that body to originate all bills for the appropriation of money. This would certainly give promise of a more responsible body of men than our present city fathers, and has, besides, much else to recommend it. But, as the first and most important change, we desire an efficient, responsible government in the place of the many-headed makeshift we are now afflicted with. When that change is accomplished we shall be ready to look further.

**PROJECTED RAILROAD FROM OSWEGO TO NIAGARA RIVER.**

The Board of Trade of Oswego some time since appointed Messrs. E. Talcott, Charles Rhodes, A. P. Grant and John McNair a committee to examine the subject of a Lake Shore road between Oswego and Niagara river and to report to the Board the result of such investigation. As a connecting link in the communication between the West and the cities of New York, Boston and Portland upon the Atlantic seaboard this question has become one of great importance to the whole country. At a meeting of the Board of Trade, July 15, Hon. Cheney Ames in the chair, the following report of the committee was made, read and accepted :

**REPORT.**

The projected railroad from Oswego to the Niagara river has heretofore been the subject of much and careful consideration, not by those locally interested in its success, but by both eastern and western gentlemen of very great intelligence and practical experience in railroad and commercial matters, and its importance has been uniformly conceded as affording a much needed additional avenue for the transit of western trade. The volume of this trade is constantly and rapidly increasing, and with the steady growth of the western States in wealth and productive population and the completion of the Pacific railway, now progressing with astonishing rapidity, its prospective increase is beyond the reach of present computation. At an early day, and in the judgment of your committee at a day as early as the completion of the Pacific railway, with which the proposed Lake Ontario Shore road will be brought into direct communication, the latter will cease to be regarded as a competitor of existing railway lines; but the strife will rather be a combined one on the part of the several lines leading to the eastern seaboard, to furnish the required facilities for transportation between the East and the West. Hitherto the principal objection to building this road has been the want of suitable railroad connections from Oswego eastward to tide water. The two roads from Oswego to Syracuse and to Rome both connect at those points with the New York Central alone, and as that road has imposed upon freight to and from Oswego extra rates, as way freight, sometimes making the cost of transportation by railroad from New York to Oswego as great as to Buffalo—135 miles further west—a movement in favor of a road from the Niagara river to Oswego has involved the necessity of providing at the same time for a line hence to the Hudson, independent of the New York Central. This difficulty, so far as trade with New York city is concerned, now no longer exists. By a contract recently perfected between the Oswego and Syracuse, the Syracuse and Binghamton, and the New York and Erie roads (and which is to continue in force as long as the charters of those roads or any renewals of them shall survive), the former road is to make its gauge, by a third rail, the same as the other two; the two former to connect at Syracuse by a tunnel under the Central, and the New York and Erie is to transport through freight from Binghamton to New York at the same rates per mile which it shall at the time charge on through freight from its western termini at Buffalo or Dunkirk to New York. The work under this contract is now in active

progress and the whole is to be completed and the arrangement go into full operation the coming fall.

This important and harmonious combination of interests which have hitherto, to some extent, been conflicting will restore the city of Oswego to her true geographical position—that of the nearest point on the great lakes to tide water—and open to the large commerce from Canada and the western States, already centered at Oswego, as well as its future increase, a reliable outlet by rail to New York and Philadelphia at current railroad rates.

The Atlantic ports, besides New York, are preparing to make a vigorous struggle for a participation in the western trade, which has been well styled the great commercial prize of this continent.

The State of Massachusetts, in order to lower the grade and shorten the distance between the Hudson and its chief commercial city, is perforating the Hoosic mountains by a tunnel, second in extent only to that now being cut through Mount Cenis, in Italy, and likely to equal that work in cost. That State, however, appears to be undaunted by the growing estimates of the cost of her great work, as it progresses, and will expend on this  $4\frac{1}{2}$  miles of tunnel a sum sufficient to construct at least three such roads as the one proposed from Oswego to the Niagara, and her controlling motive is, through that tunnel, to seize upon and draw to Boston a portion of the trade of the west, the shortest and most feasible route for which will then be over the road now under discussion.

The city of Portland, also, in view of her excellent commercial position and unequalled harbor, demands her share of the western trade, and is moving actively to secure it. There is now in operation a connected chain of railroads from Oswego direct to Montpelier, Vermont. A committee, composed of prominent gentlemen of high character and representing large railroad and commercial interests in northern New England, recently visited Oswego for the purpose of securing a connected railway line from Portland to Oswego, and hence by the most direct feasible route to Chicago. After a consultation with your Board of Trade and other citizens, those gentlemen assured you that a road should be speedily built from Portland to Montpelier, thus furnishing a connected line from Portland to Oswego; and they ask of us and the Lake Ontario shore country, that by the proposed road to the Niagara we supply the only link wanting between Portland and Chicago.

The completion of the Southern Central road will add another important connection to a Lake Shore road. This road, which starts from Fairhaven, at the head of Little Sodus bay, on Lake Ontario, fourteen miles west of Oswego, will extend southerly along a remarkable easy grade to the Pennsylvania State line, and then connect with roads running into the coal fields and oil regions of that State and to Philadelphia. This road is already graded nearly its whole length, and it is now under contract for completion ready for use in the fall of 1868. The proposed road would cross the Southern Central at or near Fairhaven, and the two roads be obviously of great mutual benefit.

The Eastern and Southern lines of road to which we have referred will all find their most desirable and direct connections for the west with the projected road at or near Oswego, and with the advantages afforded by these connections, none of which have ever before been presented, an entirely new aspect is given to the proposed enterprise.

At the western extremity of the State not only are the same connections open to this road which are now enjoyed by the Central, to aid the lake shore roads and the lake steamers at Buffalo and the Great Western railroad at Suspension Bridge, but a connection with the Great Western or with a new and more direct line across the peninsula south of the Great Western at Lewiston, would be preferable to either of the others or to all of them combined.

By crossing the Niagara at Lewiston, there will be a very considerable saving, both in distance and grade, as this route presents the shortest line to Detroit and Sarnia, and also avoids an ascent of about 330 feet from the level of Lewiston to Suspension Bridge, and an equal descent on the west side of the river before reaching St. Catharines and Hamilton, between which last city and Detroit the elevation of Lake Erie above lake Ontario is overcome by well distributed grades.

#### THE ROUTE FROM LEWISTON TO OSWEGO.

From Lewiston to Oswego, a line by way of Rochester has been surveyed by competent engineers, and in respect to grade, cheapness of construction, beauty of natural scenery, and the productiveness of the country, it is for an equal length of rail, without a parallel in the State. The grade is generally level or descending gently to the East, and nowhere on the whole line, after leaving Lewiston, does it exceed twenty-six feet to the mile. The distance from Lewiston to Oswego is 141 miles. From Lewiston, to Rochester the survey was made in 1857, by Messrs. Parkinson & Smith, C. E., whose maps, profiles, estimates and report are now in the possession of your Board of Trade.

In their report of this survey these gentlemen make the following statements:

"We may safely say that never have we, in all our engineering experience during the past twelve years, and in almost all parts of the United States, found a district of country seventy-three miles in length that presents so many favorable features for the construction of a first-class railroad. In the opinion of the most eminent geologists, the country through which our line passes, on the north of the ridge, is the shelving beach of an ancient lake, of which the ridge itself was the margin, and our line, running very nearly in the direction of the water line, could not of course be very undulating. The country is so remarkably uniform and level that no grade occurs on the entire route, after leaving Lewiston, over 26 feet per mile. There are  $16\frac{1}{2}$  miles of grades under five feet per mile, and nearly 17 miles of the line are level. Summing, we find that there are sixty-eight and one-fourth miles out of 73 2-10 miles—the entire length of the line, with grades under 20 feet per mile. Your road compares very favorably with the New York Central, not only in point of grades and alignment, but possesses an advantage in distance not unworthy of notice. The soil of the entire district passed over is of most excellent quality, and the division of the country into so many small farms causes it to resemble a continuous village.

"This estimate of cost for a single track, with station houses, depots, fencing and rolling stocks, with a rail weighing 70 pounds to the yard, exclusive of the cost of right of way is, \$15,550 per mile" (made on prices of labor and materials in 1857).



From Rochester to Oswego the survey was made in 1865, by Mr. John McNair, C. E. The distance between the places is 69 48-100 miles, for about one half of which the line runs along the same "shelving beach" as before described, and presenting the same features in soil, grade, and evenness of surface. From this point to Oswego, Mr. McNair made his survey with great care, and states that the grade will nowhere on this line, exceed the maximum west of Rochester, of 26 feet to the mile. These surveys from Lewiston to Oswego, present a line in the highest degree inviting as a railroad route and it would certainly seem most, surprising that such a line, offering such unusual advantages in the way of local business, and cheapness of construction and connecting directly with roads running to Chicago and the far West, should have so long remained unoccupied—were it not for the want heretofore felt of proper outlets, eastward from Oswego to the seaboard. But with the entire removal of this difficulty by the completion of the three several connecting lines of railway to the East and South, before referred to, all of which must become outlets and feeders for the road in question, the undersigned do not hesitate to express their conviction that no line for a railroad of equal length can be found in this country having as many marked advantages, and promising so large a return upon the capital required for its construction, as the one from Oswego to the Niagara River. It will form part of a route from Detroit to New York city, for both freight and travel, at least equal to any other, and so far as all of Northern New York and New England are concerned, a route with which no other can successfully compete.

In estimating the future demands of trade upon the means of transportation, we may accept the fact as already demonstrated by the history of the internal commerce of the country during the last fifteen years that railroads are to do the great bulk of the carrying trade.

Among the great canals of this country constructed for the transportation of produce, the Erie canal is the only one which has not already proved a failure. Pennsylvania has sold her great canal to a railroad company. Ohio has tried without success to sell hers, and the Wabash canal of Indiana is wholly without value to the State, more than one-half of it being left without repair and utterly useless for commerce. The railroads have virtually superseded them all. Even our Erie canal has its lesson in the same direction, though strenuous efforts have been made to retain its trade by reducing tolls, and increasing its capacity for large size boats.

In 1830 the tolls on the Erie canal between Albany and Buffalo were, on up freights \$10 22 per ton and on down freights \$5 11. In 1853 they had been reduced to \$1 46 per ton each way, and they have for many years been adjusted on many articles with a view to meeting railroad competition. In 1830 the capacity of the largest boats on the canal was 70 tons. Since the enlargement their capacity is increased to 224 tons. In 1853 Erie canal tolls were removed from our railroads, and until that time they were comparatively but little used in this State for freight. In that year the freight carried on the New York Central was 360,000 tons, and on the New York and Erie 631,039 tons, total 991,039 tons. Freight carried by the Erie canal the same year, 4,247,853 tons. In 1859 the freight carried on the Erie canal was 3,781,684 tons, while the two railroads above named carried 1,703,391 tons. In 1866 the deliveries of

freight by canal at tide water was 1,107,537 tons. The total freight carried on all the State canals in that year was 5,775,220 tons; while that carried on the railroads of the State was 9,210,476 tons. The revolution indicated by these statements, and which has been wrought in the last 13 years in the use of railroads for freight, speaks unmistakably for the future. The tendency of trade has been and is towards greater rapidity in its transit between the western and eastern markets. The telegraph in a few moments of time announces to the western merchant the state of the eastern markets both at home and in Europe. Short commercial papers required by banks and the commercial requirement for trade now is celerity of movement with the lowest attainable point in cost. In view of the facts and suggestions which we have presented, your committee are of the opinion that the proposed railroad from Oswego to the Niagara river should be built, and we recommend an early organization of a company for that purpose and vigorous prosecution of the work to a speedy completion.

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#### NORTH CHINA TRADE.\*

At present the northern ports are supplied with goods from Shanghai and Hongkong, where the native dealers go and purchase the greater part of the manufactures that are sold in these markets; and until the ports of Chefoo and Tientsin are brought into direct communication with the British manufacturer, and goods are sent out from England direct to them, these ports can hardly be said to be opened to British commerce, nor will British trade in these ports and the whole north of China be satisfactorily developed. The laying down price of goods at the northern ports, if received direct from England, would be necessarily less than what goods bought at Shanghai, with the addition of freight, insurance, etc., now cost at Chefoo and Tientsin before they can be offered to native dealers; and the difference in cost in favor of the direct shipments would materially increase the consumption of British manufactures if they took place.

The trade of Tientsin is now so linked with that of Chefoo that the one cannot be considered separate from the other in this point of direct trade with England, and ships coming out might bring cargoes for both places, as they are only separated by a sea journey of twenty-four hours. Of the three treaty ports in the Gulf of Pecheli, the one best adapted for direct trade with England would certainly be Chefoo. It is the only one of the three ports which is not closed by ice during the winter. The navigation is easy; the anchorage is safe at all seasons of the year; and it is already a large central market for the Gulf trade, and even now is a distributing depot for the whole of the North of China.

It is very difficult to state what will be the probable future capability of Chefoo and the North of China in regard to British manufactures. The statistics of the last five years offer no criterion for a decisive judgment in this matter.

The lamented civil war in the United States of America, by reducing

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\* Extracts from a report on the North China Trade by one of the British Consuls in that section.

silk, produced from the wild silkworms that swarm in the mountain forests; and the quantity of this article that could be brought into the market if prices suited may be computed at not less than 12,000 bales a year. This silk is of different qualities, according to the process and care adopted in reeling it from the cocoons, and some of it is well adapted for manufactures. The natives weave plain silk goods from it, called pongees, and about 100,000 pieces of these stuffs could be bought annually. There is also a considerable quantity of fine yellow silk produced in the province. In 1861 and 1862 nearly 1,000 bales were exported, but since then very little has been offered for sale. The cause of this silk not making its appearance at Chefoo is partly owing to its being worked up by the native looms to supply the local demand for silk piece goods. Formerly the greatest portion of silk goods used in the north was brought from Foochow and other southern manufacturing towns; but since the rebels devastated those countries this has ceased to be the case, though at present Chefoo imports a moderate quantity of Chinese woven silks, as well as many other branches of commerce. The value of these silk goods imported in the year 1865 was about £45,000 sterling. The silk trade of Chefoo will only be developed and rightly ascertained when by direct importations of English manufactures it will attract to itself all the produce that the natives have to exchange for European commodities.

The capability of Chefoo and the neighboring port of Tientsin for shipping cotton direct from England seems most strangely to have been overlooked or neglected. During the whole of the years 1863 and 1864 more than 20,000,000 pounds of cotton were shipped away from the two ports for Shanghai and Hong Kong, the greater part of which was thence transhipped to England. If the cotton had been shipped either at Chefoo or at Taku (the seaport of Tientsin), the extra cost of freight, the expense of transhipment, of fire and marine insurance, and other incidental charges, as well as a difference in price, in all amounting to at least 2d. a pound, would all have been saved and a great impulse to British trade in the north of China would have been the result. In case of cotton being again required from the far East for the Lancashire looms, Chefoo and Tientsin are likely to export large quantities direct to England.

Besides these matters, which directly interest British commerce, Chefoo has commercial relations with Japan, where there is a large market for the medicinal roots and herbs of the north of China, and whence the supplies of isinglass and earthenware are received in return.

A trade in seaweed and peas is also springing up with the Russian ports to the north of the Corea, and the former article is distributed all over the north of China, from Chefoo. There is every probability of a large increase in this business, and that Chefoo will become the centre of the northern trade with those countries and with the Corea, since the trade has already fallen into this channel.

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## RAILROAD EARNINGS FOR JUNE AND SECOND QUARTER.

The gross earnings for the under-specified railroads for the month of June, 1866 and 1867, and the difference (increase or decrease) between the two periods, are exhibited in the subjoined statement:

Railroads.	1866.	1867.	Increase.	Decr'se
Atlantic and Great Western.....	\$474,441	\$390,795	.....	\$84,645
Chicago and Alton.....	371,543	343,671	.....	27,872
Chicago and Great Eastern.....	118,788	87,783	.....	31,005
Chicago and Northwestern.....	922,891	898,357	.....	24,534
Chicago, Rock Island and Pacific.....	350,920	261,480	.....	89,440
Cleveland and Toledo.....		(Not received in time.)		
Erie.....	1,242,636	1,118,731	.....	124,905
Illinois Central.....	567,879	498,616	.....	71,063
Marquette and Cincinnati.....	106,315	96,535	.....	9,780
Michigan Central.....	835,083	824,977	.....	10,106
Michigan Southern.....	892,640	804,233	.....	88,408
Milwaukee and Prairie du Chien.....	262,112	114,570	.....	147,543
Milwaukee and St. Paul.....	244,375	221,190	.....	23,185
Ohio and Mississippi.....	253,934	240,185	.....	13,749
Pittsburg, Fort Wayne and Chicago.....	623,667	565,556	.....	58,111
Toledo, Wabash and Western.....	225,69	304,810	.....	79,120
Western Union.....	102,686	60,559	.....	42,127
Total in June.....	\$6,706,446	\$5,721,537	\$.....	\$984,909
Total in May.....	6,613,070	6,068,325	.....	544,745
Total in April.....	5,696,340	6,080,678	384,438	.....

The gross earnings per mile of road operated for the same month of the years, respectively, are shown in the following table:

Railroads.	Length in miles—		Earnings—		Difference—	
	1866.	1867.	1866.	1867.	Incr.	Decr.
Atlantic & Great Western.....	507	507	\$936	\$751	...	\$185
Chicago and Alton.....	290	290	1,297	1,297	...	100
Chicago and Great Eastern.....	294	294	424	314	...	110
Chicago and Northwestern.....	1,032	1,143	894	784	...	110
Chicago, Rock Island & Pacific.....	410	410	856	638	...	218
Cleveland and Toledo.....						
Erie.....	796	775	1,570	1,443	...	127
Illinois Central.....	708	703	802	701	...	101
Marquette and Cincinnati.....	251	251	423	354	...	69
Michigan Central.....	255	255	1,178	1,000	...	178
Michigan Southern.....	594	584	749	581	...	168
Milwaukee & Prairie du Chien.....	234	234	1,116	489	...	627
Milwaukee and St. Paul.....	275	275	881	806	...	75
Ohio and Mississippi.....	340	340	747	713	...	35
Pittsburg, Ft. Wayne and Chicago.....	468	468	1,254	1,093	...	161
Toledo, Wabash and Western.....	521	521	925	685	...	240
Western Union.....	177	177	580	342	...	238
Total in June.....	7,084	7,124	\$953	\$803	\$..	\$150
Total in May.....	7,207	7,297	917	894	...	23
Total in April.....	7,207	7,297	790	826	36	...

The results of railroad operations for June are given above; and from these it will be seen that all the roads from which reports have been received have decreased their earnings. In June, 1866, the earnings on 7,034 miles were \$6,706,446, and in June, 1867, on 7,124 miles, \$5,721,537, the aggregate decrease being \$984,909, or at the rate, as shown in the second table, of \$150 per mile of road operated. This is certainly very large. The decrease from the month of May last, however, is only \$31 per mile of road. The exhaustion of the old crops appears to be the scapegoat for this condition of railroad matters.

The results of the second quarter of the current year compared with

those of the corresponding quarter of 1866 are shown in the statement which follows:

Railroads.	Gross earnings.		Earnings p. m.			
	1866.	1867.	1866.	1867.	Inc.	Dec.
Atlantic and Gt. Western.....	\$1,330,451	\$1,238,185	\$2,614	\$2,531	..	73
Chicago and Alton.....	970,643	968,313	3,466	3,461	..	16
Chicago and Gt. Eastern.....	841,256	861,286	1,219	1,001	..	218
Chicago and Northwestern.....	2,375,944	2,406,744	2,305	2,102	..	203
Chic., Rock Island and Pacific.....	925,400	793,679	2,287	1,936	..	351
Erie.....	3,497,709	3,453,014	4,384	4,462	78	..
Illinois Central.....	1,548,534	1,394,280	2,187	1,970	..	217
Marietta and Cincinnati.....	281,701	259,829	1,134	1,035	..	99
Michigan Central.....	1,044,014	981,713	3,663	3,445	..	218
Michigan Southern.....	1,338,580	1,051,995	2,344	2,007	..	337
Milwaukee and P. du Chien.....	637,743	321,193	2,734	1,373	..	1,362
Milwaukee and St. Paul.....	611,507	644,736	2,223	2,199	..	24
Ohio and Mississippi.....	814,477	807,806	2,315	2,376	..	19
Pittsburg, Fr. Wayne and Chic.....	1,915,983	1,600,115	4,094	3,547	..	547
St. Louis, Alton and T. Haute.....	503,099	518,963	2,395	2,459	64	..
Toledo, Wabash and Western.....	912,424	960,910	1,751	1,829	78	..
Western Union.....	232,933	159,121	1,316	589	..	417
Total 2d quarter.....	19,123,376	17,847,408	2,639	2,453	..	207
Total 1st quarter.....	16,381,733	16,071,818	2,941	2,192	..	43

The total length of the above railroads having been in 1866 7,244, and in 1867 7,334 miles.

With regard to the quarterly summary, the result is a decrease in earnings, as compared with the 2d quarter of 1866, to the extent of \$207 per mile of road operated, and since January 1 the decrease has been \$250 per mile. This is about 5 per cent. on the aggregate.

These results are better than were anticipated, and the loss has probably been balanced by reduced expenditures. If this has been the case, the net earnings will not be injured, while the coming half year is full of promise and may, from increased business, fully make up the gross totals of the railroad year 1866.

### DEBT OF NEW JERSEY.

We have lately received the published reports of New Jersey for the past year. From them it appears that the debt of the State at the close of the fiscal year, November 30, 1866, amounted to the sum of \$3,395,200, evidenced by certain bonds authorized by law, as follows:

By act of May 10, 1861, the Governor and Treasurer, for war purposes, were directed to borrow, on the issue of 6 per cent. bonds (exempt from taxation), none of which were to be made payable at a later date than January 1, 1885, not exceeding \$2,000,000. Under this act the following issues were made and were outstanding at the date mentioned:

Due Jan. 1.	Amount.	Due Jan. 1.	Amount.	Due Jan. 1.	Amount.
1867.....	\$99,000	1873.....	\$100,000	1879.....	\$100,000
1868.....	99,500	1874.....	100,000	1880.....	100,000
1869.....	99,300	1875.....	100,000	1881.....	100,000
1870.....	100,000	1876.....	100,000	1882.....	100,000
1871.....	100,000	1877.....	100,000	1883.....	100,000
1872.....	99,900	1878.....	100,000	1884.....	100,000

—total outstanding \$1,798,900.

By a supplementary act, approved March 24, 1863, the same officials were authorized to borrow, for like purposes, on similar bonds, none of which were to be made payable later than January 1, 1896, an amount

not exceeding \$1,000,000. The issues under this act outstanding at date are payable as follows:

Due Jan. 1.	Amount.	Due Jan. 1.	Amount.	Due Jan. 1.	Amount.
1866 .....	\$100,000	1890 .....	\$100,000	1874 .....	\$100,000
1867 .....	100,000	1891 .....	100,000	1895 .....	77,000
1868 .....	100,000	1892 .....	62,600	1896 .....	67,000
1869 .....	100,000	1893 .....	96,800		

—total outstanding \$1,002,900.

By a further act approved April 14, 1864, the same officials were authorized to borrow for like purposes such sums of money which, with the moneys borrowed under preceding acts, should not exceed \$4,000,000, and to issue bonds therefor at 6 per cent., none of which should have a longer time to run than to January 1, 1902. This issue of bonds, however, was not exempted from taxation, and none of them were sold prior to the passage of an act approved April 4, 1866. This latter act stated in its preamble that \$4,000,000 had been heretofore appropriated for paying the expenses incident to the suppression of the rebellion; but that not more than \$3,000,000 had been borrowed, leaving authority to borrow \$1,000,000 more; and since the State was indebted more than \$600,000 for expenses incident to said suppression, this act provided that the Governor and Treasurer might borrow the sum of \$1,000,000. The outstanding issues under these two laws at the close of the fiscal year were as follows:

Due Jan. 1.	Amount.	Due Jan. 1.	Amount.
1867 .....	\$190,400	1899 .....	\$123,000
1868 .....	200,000	1902 .....	71,000

—total outstanding \$593,400.

Thus of the \$4,000,000 authorized only \$3,395,200 have been issued. The first law passed upon this subject (that of 1861), provided that not more than \$100,000 thereof of principal money, should be made payable in any one year. The same provision was found in the supplementary act of 1863, except that in the latter it is enacted that no part of the principal should be paid before 1886, and the further supplement of 1864 declares that not more than \$200,000 of the principal authorized by its provisions should be made payable in any one year, and no part thereof before 1897. It follows therefore that these bonds, which compose the evidences of the State debt, are payable in instalments, and at different times between the year 1865 and the year 1902. The payment of interest and principal as they become due is made the duty of the Commissioners of the Sinking Fund from the moneys of the Fund furnished them by the Treasurer, whose duty it is to pay over to them all moneys raised by law, and received by him for the purpose of liquidating the principal and interest of this bond debt. The three first instalments of the principal (those of Jan. 1, 1865–66 and '67) have been already paid from the Sinking Fund, the chief resource of which is the proceeds of a general tax of \$280,000 a year on the property within the State.

The population of New Jersey, by the census taken in 1865, was 773,700, being an increase in five years of 101,671, the population in 1860 having been 672,029. Taking the debt as it stood on the 30th November, 1866, at \$3,395,200, the distributive share to each inhabitant appears to be about \$4.39 *per capita*.

By an act approved March 21, 1866, the counties, cities, towns, townships and other municipal corporations of the State were directed to prepare and forward to the Comptroller a succinct statement, properly certified, of all moneys expended by them for the purposes of the late war. Circulars were, in accordance with this act, transmitted under date of March 30, 1866, to all such corporations, requesting returns on the subject before May 1. With few exceptions the required reports were made, and, excluding those not reporting, the aggregate amount of bounties paid, or indebtedness incurred on account thereof, was found to be \$23,447,988 77, as follows :

Counties.	Population.	Amount.	Per capita.
Atlantic.....	11,344	\$135,188 00	11:99
Bergen.....	24,636	146,681 81	38:43
Burlington.....	50,719	1,431,968 24	28:29
Camden.....	38,464	802,436 46	20:56
Cape May.....	7,625	162,931 33	21:27
Cumberland.....	26,233	650,756 78	24:51
Essex.....	124,441	2,749,256 50	20:13
Gloucester.....	20,134	608,290 00	30:11
Hudson.....	87,819	3,401,468 11	38:73
Hunterdon.....	40,768	1,099,791 68	26:98
Mercer.....	41,478	1,658,853 04	39:90
Middlesex.....	25,916	1,403,806 52	50:06
Monmouth.....	42,868	1,087,296 86	24:59
Morris.....	26,513	682,176 26	17:56
Ocean.....	14,283	167,533 50	11:74
Passaic.....	24,856	896,193 69	25:71
Salem.....	22,163	878,698 25	37:94
Somerset.....	21,610	781,738 00	36:17
Sussex.....	22,929	644,915 80	26:05
Union.....	25,410	1,551,945 68	43:52
Warren.....	31,523	762,890 16	23:69
Total.....	772,700	\$23,447,988 77	\$20:31

This total represents the moneys absolutely contributed by the towns, counties, &c., for the purposes of war, which added to the State debt, \$3,395,200, shows the entire contributions of New Jersey for the purposes mentioned. This is \$34 70 per capita, varying in each locality; or reckoning five persons to a family, as the average, would make 173.50 to each head of a family. The interest on this amount at 6 per cent. is \$1,610,591  $\frac{2}{3}$   $\frac{1}{3}$  a year, or \$2.08 per capita. By an additional dollar per head annually, successively placed at compound interest as a sinking fund, the principal amount may be liquidated in thirty-four years.

The total valuation of the State is \$467,918,324. The State debt in relation to this valuation, is as \$0:72 to every \$100 and the local debt as \$5:01 to every \$100, or together \$5:73 to every \$100. This is by no means burdensome to a wealthy and industrious people.

### CLEVELAND, COLUMBUS AND CINCINNATI RAILROAD.

The Cleveland, Columbus and Cincinnati Railroad forms, in connection with the Little Miami and Columbus and Xenia Railroads, the direct line between Cleveland on Lake Erie and Cincinnati on the Ohio, a distance of 255 miles. At Cleveland it connects with the Lake Shore line to Buffalo, and through that with the New York Central, which together form the great through line from New York to Cincinnati. The Bellefontaine Line leaves the road at Galion, 80 miles distant from Cleveland, and the

Columbus and Indianapolis Railroad leaves it at Columbus, both extending westward *via* Indianapolis, in the direction of St. Louis; and in its course it is crossed by the Sandusky, Mansfield and Newark Railroad (at Shelby), and by the Pittsburg, Fort Wayne and Chicago Railroad (at Crestline). At Delaware it gives off the Springfield Branch which connecting with the Little Miami forms a second route to Cincinnati.

The Cleveland Columbus and Cincinnati Railroad Company were incorporated in 1846; and the road, commenced in 1848 and opened by sections, was completed in February, 1851. The curves at Delaware connecting the line with the Springfield, Mount Vernon and Pittsburg Railroad (now the Springfield Branch) were constructed in 1853. This branch was purchased by the Company in January, 1861:

The constituents of the railroad as at present existing are as follows:

Main Line, Cleveland to Columbus .....	131.39 miles.
Delaware Curves, at Delaware .....	5.77 "
Springfield Branch, Delaware to Springfield .....	49.80 "

—making a total of 190.96 miles. The length of second track (all on the main line) is 55.8 miles, and there are also about 35 miles of sidings.

In the following statement is contained a review of the operations of the company for the six years ending December 31, 1866, and its financial condition at the close of each annual period.

The amount of rolling stock in use in the stated years was as follows:

	1861.	1862.	1863.	1864.	1865.	1866.
Locomotives .....	43	46	47	41	44	43
Passenger Cars .....	31	33	36	37	33	34
Mail and baggage cars .....	8	8	9	9	10	10
Freight cars, horse .....	335	394	511	463	473	466
" " stock .....	113	123	107	121	123	109
" " platform .....	81	109	169	184	179	160

The miles run by locomotives with trains in each year, are stated in the following summary:

	1861.	1862.	1863.	1864.	1865.	1866.
Passenger service .....	231,489	262,298	280,071	310,731	318,753	351,767
Freight service .....	347,057	473,261	491,323	445,745	405,373	458,683
Fuel service .....	24,470	35,390	40,140	36,616	47,023	50,905
Repair service .....	20,489	41,965	48,894	76,049	33,358	18,833
Switching service .....	83,655	114,805	151,703	164,227	161,414	176,391
Total .....	707,100	926,628	1,012,130	1,033,368	1,067,330	1,055,593

The number of passengers and tons of freight carried, and the mileage thereof, is shown in the following statement:

	1861.	1862.	1863.	1864.	1865.	1866.
Passengers carried .....	190,490	230,064	265,870	532,143	559,884	598,561
Miles (1,000ds) travelled .....	.....	.....	25,597	33,663	35,499	32,343
Tonnage carried .....	418,756	571,087	607,063	562,758	459,703	517,199
Miles (1,000ds) of carriage .....	39,455	57,083	58,353	52,779	42,233	45,153

The earnings and expenses yearly for the same years, and the distribution of the profits from operations, were as follows:

	1861.	1862.	1863.	1864.	1865.	1866.
Passengers .....	\$370,019	\$444,945	\$517,553	\$808,434	\$974,220	\$632,230
Freight .....	737,413	1,133,363	1,344,091	1,394,683	1,120,459	1,073,325
Express .....	23,944	25,119	35,984	37,983	56,376	43,009
Mails .....	29,100	31,154	31,243	31,243	31,243	31,243
Rents .....	84,137	83,363	84,096	84,806	81,537	75,715
Berea Branch .....	.....	.....	.....	2,377	2,833	7,759
Mileage of cars .....	14,868	.....	18,114	7,310	10,973	10,604
L. M. & C. & X. RR Co's .....	.....	.....	.....	.....	37,740	16,867
Other sources .....	.....	473	1,049	6,585	3,604	2,677
Dividends and interest .....	5,783	7,603	112,324	46,184	67,905	45,270
Total earnings .....	\$1,363,353	\$1,794,917	\$2,151,943	\$2,499,348	\$2,386,133	\$1,933,700



From which must be deducted operating expenses, as follows:

Transportation.....	\$900,845	\$851,239	\$906,656	\$402,374	\$428,779	\$435,911
General expenses.....	19,541	20,394	24,069	24,397	27,624	27,045
Repairs of track.....	188,181	1,55,045	228,098	375,483	401,827	249,110
Repairs engines.....	41,173	57,516	70,924	90,132	123,178	104,869
" cars.....	42,888	39,194	55,184	89,681	109,306	79,901
" build'gs.....	24,036	21,778	18,718	31,498	94,294	20,224
" bridges.....			5,961	8,931	34,523	17,945
" fences.....			2,929	3,609	8,823	18,453
Fuel.....	50,048	66,394	109,385	146,600	157,064	147,455
Damages & gratuities.....	7,547	9,516	14,354	56,702	33,344	24,042
Oil and waste.....	6,165	8,636	12,066	17,931	19,588	21,298
Use of cars.....		1,581				
Telegraph expenses.....	5,132	2,868	2,459	4,906	7,324	8,764
Operating expenses.....	\$535,005	\$634,170	\$893,703	\$1,264,185	\$1,550,622	\$1,254,017
Profits from operations.....	\$728,248	\$1,090,747	\$1,308,340	\$1,235,163	\$335,510	\$679,653

These profits were disposed of on the following accounts:

Taxes, State and national.....	\$23,431	\$24,245	\$26,983	\$166,043	\$172,305	\$187,577
Roads & depots.....				167,375		
Interest balances.....	22,351	22,855			26,507	20,200
Dividends on stock.....	474,621	974,050	549,667	899,204	599,635	479,748
Old accounts settled.....		32,017				
Surplus to credit.....	207,846	27,570	666,580	2,040	87,068	42,158

The amount of materials used in track repairs in each year was as follows:

	1861.	1862.	1863.	1864.	1865.	1866.
New iron rails.....tons.	600	250	451	....	800	164
New steel rails.....					27	
Re-rolled rails.....	2,707	2,891	2,751	3,924	4,428	4,091
Rails repaired.....number.	15,802	14,172	13,838	14,681	1,151	9,088
New cross-ties.....	66,000	67,943	91,843	112,037	83,803	82,377
Pounds						
Joint chairs.....	10,000	1,677	4,687	8,966	159,757	12,530
Iron joint splic'.....	6,000	9,400	218,033	279,044	373,984	220,706
Pounds						
Joint bolts & nuts.....	....	....	235	442	109,120	104,915
Spikes.....	536	679	824	1,163	241,840	174,630

The financial condition of the company at the close of each year, as appears on the general Balance Sheet, is summed up in the following statement of liabilities and profits:

	1861.	1862.	1863.	1864.	1865.	1866.
Capital stock.....	\$4,746,200	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Funded debt.....	510,000	510,000	510,000	491,500	475,000	450,000
Bills payable.....			150,000			
Divid's payable.....	237,810	499,480	249,896	419,692	239,835	229,868
Balance due on accounts.....	7,023	804	9,537	2,107	28,225	....
Surplus.....	416,826	444,896	313,081	6,136	43,200	81,368
Total liabilities.....	\$5,917,359	\$6,454,180	\$7,323,518	\$6,919,435	\$6,843,260	\$6,771,246

Against which are charged as follows, viz.:

	\$	\$	\$	\$	\$	\$
Road and Depots.....	4,030,737	4,230,777	4,394,783	4,000,000	4,000,000	4,070,000
Equipment.....	637,216	723,116	823,283	750,000	750,000	790,000
Stocks and bonds.....	529,566	674,007	1,032,621	1,137,750	1,137,750	1,182,750
Materials on hand.....	120,391	134,789	231,501	286,973	321,941	315,419
Cash.....	415,210	596,640	600,204	691,946	614,112	373,764
Bills receivable.....	40,756	11,819	68,184	74,574	72,117	2,504
Balance due on accts.....	53,358	3,456	10,905	11,863	....	19,981
Real estate.....	26,125	22,576	21,147	17,603	16,358	14,708
Springfield Branch.....	10,000	....	....	....	....	....
Wood lands (balance).....	....	....	20,979	18,556	5,627	2,344
Insurance scrip.....	....	2,980	2,905	1,170	1,355	770
Loan to Cleveland and Mahoning RR.....	24,600	24,000	24,000	24,000	24,000	....
Total profits, &c.....	5,917,359	6,454,180	7,323,518	6,919,435	6,843,260	6,771,246

The following table, deduced from the above, exhibits the relation of capital, earnings, profits, &c., and the rates of dividend paid in the several years :

	1861.	1862.	1863.	1864.	1865.	1866.
Cost of road, &c., per mile.....	\$24,439	\$25,936	\$27,330	\$24,897	\$24,837	\$25,418
Earnings per mile.....	6,614	9,081	11,366	13,085	12,492	10,134
Expenses per mile.....	2,801	3,830	4,443	6,619	8,118	6,565
Expenses per cent.....	42.35	36.76	39.43	40.60	65.00	64.81
Net earnings per cent per mile.....	3,813	5,711	6,823	6,466	4,375	3,569
Net earnings per cent.....	57.65	63.24	60.57	59.40	35.00	35.19
Net earnings to capital per cent.....	18.85	19.79	20.03	19.08	12.75	10.54
Net earnings to cost, &c., per ct.....	15.90	22.02	24.99	26.03	17.61	14.00
Dividends per cent—cash.....	13	15	11	15	10	8
Dividends per cent—stock.....	..	5	20	..	..	..

The net earnings, as above, are the gross earnings less operating expenses, and before any deduction is made for taxes or other extraordinary accounts.

The market price of the stock of the company (range) for each month is stated below :

	1861.	1862.	1863.	1864.	1865.	1866.
January.....	93 @ 100	110 @ 110	147 @ 175	180 @ 180	170 @ 180	110 @ 123
February.....	94 @ 94½	108 @ 110	156 @ 161	146 @ 157	150 @ 160	114 @ 115
March.....	93½ @ 100½	109½ @ 118	158 @ 167	157½ @ 175	130 @ 150	111 @ 115
April.....	90 @ 95	112 @ 115	158½ @ 180	165 @ 174	.. @ ..	114½ @ 115
May.....	91 @ 98½	112½ @ 116½	160 @ 165	168 @ 168	130 @ 85	114 @ 115
June.....	94 @ 97	119 @ 120	159 @ 161	167½ @ 169	123 @ 130½	118 @ 118
July.....	94 @ 98	118 @ 125	155 @ 160	149 @ 170	130 @ 133	110 @ 113½
August.....	94 @ 95	118 @ 125	155 @ 155	170 @ 171	124 @ 130	110 @ 111½
Sept'r.....	95 @ 98½	121 @ 125	150 @ 155	170 @ 170	125 @ 128	111½ @ 115
October.....	96½ @ 99	123 @ 125	160 @ 160	164 @ 164	127 @ 130	113 @ 115
Novem'r.....	97 @ 99	125½ @ 133	155 @ 157½	170 @ 170½	127 @ 130	111½ @ 113½
Decem'r.....	100 @ 102	141 @ 145	163 @ 181	180 @ 183	125 @ 137½	109 @ 112
Year.....	90 @ 103	108 @ 145	147 @ 181	146 @ 183	124 @ 130	109 @ 123

## INDIA RAILROADS AND THE COTTON TRADE.

The efforts recently made by the English Government to develop the resources of its vast empire in Hindostan, evince remarkable energy and sagacity. Probably no country in the world has made more material progress within the last few years than British India. Notwithstanding the discouragements arising from the mutiny of the Sepoys, and the disasters of famine and financial collapse, the present condition and future prospects of the people have been greatly improved. Railroads have been built, highways have been thrown up, canals widened and deepened, obstructions removed from rivers, bridges constructed over rivers and mountain chasms, and the jungle has been rendered passable for the first time.

These great changes in the condition of the interior of British India were initiated, or, at least, actively commenced in accordance with a policy adopted at the commencement of our civil war. England, in place of attempting to break up our monopoly of the cotton trade by an open and formal assistance of the South, resolved to effect the same object by other and surer means. Her statesmen, with far reaching sagacity, resolved to improve the opportunity afforded by the American crisis, so as to attach the tottering Indian Empire to the imperial government by a bridge of gold. India has always been famous for cotton

manufactures of unrivalled fineness and elegance, and it was known that her climate presented admirable facilities for the culture of the raw material. Under the stimulus of high prices the whole world was invited to compete for the production of cotton. But special measures, as is well known, were adopted to develop its culture in British India, and for this purpose the wealth and experience of the English people and government were brought into requisition.

The opportunities were favorable. The Imperial Government had got rid of the cumbersome and obsolete machinery of the East India Company, and assumed direct control of the vast Empire of India. In 1860-61, the Marquis Dalhousie, Governor General, inaugurated the extensive system of internal improvement, which was to enable the people of Hindostan to compete with America for the cotton trade of the world. To effect this object great changes were required. The most favorable cotton regions of India were inaccessible for want of proper facilities for communication. In order to get the staple to a market, it was necessary to carry it by man and horse power over vast tracts of jungle, across mountains and ravines, and ferry it over great rivers.

To obviate these difficulties, the railroad movement inaugurated was of the most comprehensive character. The population of India subject to the English government is probably not less than two hundred millions. The country comprises an area of 1,364,000 square miles, stretching 1,800 miles in length and 1,500 miles in breadth from east to west. There is a coast line of 3,200 miles, of which 1,900 are on the Indian Ocean and 1,300 on the Bay of Bengal. The climate is tropical, but embraces every variety of temperature from the extreme cold of the Himalayan mountains to the warmth of the tropics. This great country is broken up into an almost endless geographical diversity. There are vast and impassable jungles, huge forests, mighty rivers, mountain chains and extensive plains, the whole being combined with a wonderful luxuriance of vegetation, which at every step obstructs progress and almost prevents any passage by man or beast.

It was over this country, presenting so many difficulties, that Lord Dalhousie contemplated his admirable network of railroads. The system was, of course, planned with reference to the geographical features of the country, so as to connect the extremes of the vast empire with grand trunk lines, from which branch lines, or feeders, might be constructed, according to the future requirements of local commerce. Four thousand six hundred miles of railroad were to be built, at an estimated expense of \$400,000,000. The credit of the Imperial Government was granted to private companies, guaranteeing a certain amount of interest on all money invested in Indian railroads. The government wisely left all details of construction and management to the energies of the companies themselves, which had every motive for economy, as all money earned above the guaranteed dividends was clear gain. This system worked so well, that last year several Indian railways exceeded the 5 per cent. guaranteed interest. During the half year ending December 31st, the East Indian and the Great Peninsular railroad companies were able to declare surplus dividends. Half the amount of surplus income was devoted to the repayment of former advances for interest by the government, and the other half was divided among the stockholders.

The net amount of guaranteed interest paid by the government diminishes every year. In 1865 the amount was £1,450,000; in 1866 it was £800,000, and this year only £600,000 was required. These figures indicate the profitable character of these Indian railroad enterprises.

The original system of Indian railroads contemplated the establishment of communications between Bombay, Madras and Calcutta, the three great centres of military and commercial power. The extremes of the empire were united, and roads were cut through the great agricultural and producing districts. The East Indian Railroad Company has now under its management 1,310 miles of railway, constructed at an expense of \$100,000,000, and is the longest line of road in the world under one company. The Great Indian Peninsular road will be 1,233 miles long when completed, and next year it will be open for traffic along its entire length. In 1868 from Calcutta to Bombay, a distance of 1,458 miles, there will be an unbroken railroad communication. The branch lines connecting with the main stems are of great extent, and will cost as much money as the main roads. To show the progress of Indian railroads it may be stated that it is only fourteen years since the first line was opened in that country. At the present time there are 3,200 miles in operation, and next year a thousand additional miles will be completed.

This development of railroads in British India is of the highest importance as affecting the cotton trade. Formerly we enjoyed a monopoly of the market; now, nearly one-half of the cotton manufactured in England is derived from India alone. A late Liverpool circulars estimates the quantity of American cotton now on hand and to arrive before December 31st, 1867, at 680,000 bales, while the supply of India cotton for the same period is estimated at 925,000 bales. Without expressing any opinion as to the correctness of these figures, the more important fact for us to remember is that the manufacturers of England have so altered and improved their machinery as to be able to use in much larger proportion than formerly the shorter India staple, while, at the same time, the quality of cotton from that country has been decidedly and steadily improved, and is being more carefully prepared for market. Judging then of the future from the past, it may be expected to equal the American article at no distant period.

The establishment of railroads in India removes the chief obstacles to the growth of an almost unlimited supply of cotton. The country is admirably adapted for it, and the teeming population has long been familiar with the staple, and exhibit great aptitude in its culture. The best cotton regions have not yet been opened to the world; the only facilities for reaching a market being the slow and expensive process of cattle teams. The new railroads, however, will convey the products of these regions to market cheaply and expeditiously. And it is a noticeable feature of Indian railroad companies that their revenues are derived from goods rather than from passengers. Of \$35,000,000 income of Indian railroads during the three years ending June, 1866, two-thirds were received from merchandise traffic.

These facts throw considerable light on the future of the American cotton trade. They indicate that American cotton will henceforth be subject to a keen and active competition. The cheapness of labor in India will

also tend to place us at a disadvantage, as it is doubtful whether the freedmen can work as cheaply as the Hindoo, who lives on a handful of rice a day, and whose clothing consists of a yard of calico a year. It is evident therefore that the trade in our chief staple will be subject in the future to new conditions that may seriously affect our entire country. In this view it is of the utmost importance that every facility should be extended to the cultivation of the staple in the Southern States, and that every obstacle should be removed. The injudicious cotton tax, that operates as a direct bounty to foreign production, should be instantly repealed, and new capital should be tempted into the production of the staple by the indispensable guarantees of security and political quiet.

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### THE GROWTH OF OUR CAPITAL AND INVESTMENTS.

In every country where a high degree of industrial activity and material prosperity prevails, there is continually going on an increase and accumulation of capital; and the laws by which that increase is governed have received some attention from political economists, though far less, probably, than their importance deserves. Of these laws, one of the best established is that the capital of any nation increases in proportion as individual property is protected by law and as safe remunerative investments are easily accessible to all classes of the community. In Mexico and some of the South American republics, property of all kinds being insecure, capital increases very slowly, if at all; and when the insecurity reaches a certain point, capital undergoes an actual diminution, and the country grows poorer every year. In England, on the contrary, and in this country, where the central principle of the laws rests on the security of person and property, and where the rights of capital are fenced round with all the safeguards which the wit of man can contrive, wealth grows very rapidly, and the increase of capital has surpassed anything ever realized in the history of modern nations.

Next to the security of property, one of the most important conditions for the increase of wealth is that good investments shall be easily accessible to all classes of men who have the ability, by frugal thrift and skillful industry, to amass a surplus above their wants. In this respect, for some years past we have had an advantage over other countries. It is true that our currency for three or four years after the commencement of the war, was being gradually inflated. But the effect of the redundant issue of paper money was twofold. It acted in favor of the poor and of the great masses of debtors throughout the country, by enabling them to pay their debts in a denomination of money of less value than that in which they were incurred; and what is of more importance for our present purpose, it gave that stimulus to all kinds of industry which an abundant currency among an industrious, energetic, ingenious, versatile people never fails to develop. The rapid, steady growth of wealth, and the extraordinary material prosperity which resulted astonished our political economists, because it was realized in apparent defiance of some of those general facts and laws which they had been accustomed to regard as equally stern and unyielding with the laws of gravitation. Notwithstanding that in the prodigious expen-

diture of the war, capital was annihilated and spent with a profusion unknown before, the industry of our people created new capital as rapidly as the old was wasted. If we spent two millions a day on the war, we made three or four millions a day by accessions to the activity of our production. To supply the place of a million of our hardworking citizens, we invented or constructed labor-saving machines, which, at less expense, would do the work of several millions of men. It was with reference to this state of things that Mr. Seward, on a memorable occasion, asserted publicly that "not only had the war not impoverished any body but it had largely augmented the national resources." Something of that enduring valor, resistless impetuosity and overwhelming force which immortalized our fighting armies in the field seemed to communicate its fire to our industrial armies in their peaceful arts at home. Consequently every body seemed to be growing rich, and as was natural, there never was such luxury and extravagance among any people in the world as prevailed in this country during the years 1863 and 1864.

Such were the results of the extraordinary investments for capital which were developed on all sides by the extraordinary stimulus which operated during the war. It would be absurd to say that all the growth and wealth which were then realized were healthful and permanent, but it would be equally wrong to suppose that the augmentation of wealth was radically unsound, shadowy and unsubstantial. We might as well say that the vegetable life of the tropics is less sound and perfect than that of Russian America because it is produced more rapidly and under the stimulus of a more exciting temperature. It was one of Mr. McCulloch's speculative errors when he was Comptroller of the Currency that he failed to recognise the vast forces which were at work to increase the wealth of the country. In a circular letter to the National Banks, containing practical hints of the greatest value, he ventured into more abstract disquisition, as follows:

"Although the loyal States appear superficially to be in a prosperous condition, that such is not the fact: that while the Government is engaged in the suppression of a rebellion of unexampled fierceness and magnitude, and is constantly draining the country of its laboring and producing population, and diverting its mechanical industry from works of permanent value to the construction of implements of warfare: while cities are crowded, and the country is to the same extent depleted, and waste and extravagance prevail as they never before prevailed in the United States, the nation, whatever may be the external indications, is not prospering. The war in which we are involved is a stern necessity, and must be prosecuted for the preservation of the Government, no matter what may be its cost; but the country will unquestionably be the poorer every day it is continued. This seeming prosperity of the loyal States is owing merely to the large expenditure of the Government and the redundant currency which these expenditures seem to render necessary."

In a Comptroller of Currency such a want of appreciation might pass without attracting special notice, but in a Secretary of the Treasury it could scarcely fail to lead to some errors in wielding the vast administrative powers which in the anomalous condition of our finances are at present concentrated in his hands.

Did space permit we might take the principle that "capital increases in any country in proportion as safe remunerative investments are offered to it," and show how it illustrates one of the compensations which our national debt has brought with it. In no other country in the world are

there such lucrative investments for larger or smaller amounts of money as are offered among us. In no other country can the frugal laborer or domestic servant, when they have saved up 50 or 100 dollars, invest it so as to bring in an annual income of 7 to 8 per cent. In no other country can the millionaire place his money so as to secure with equal returns of interest an equal degree of security. The rapid increase of capital in England is partly attributed to the safe investments which consols afford for all moneys whatsoever, and if offering, as they do, absolute security with moderate interest, the British consols have done so much to stimulate the growth of wealth in England, what may not our American consols be expected to do in this particular, when they offer with absolute security a high rate of interest. We shall not only attract foreign capital, but we shall utilize our own capital and make it fructify. For now, as heretofore, it is a distinguishing characteristic of this country that partly because of our vast regions of rich, virgin soil, partly from of our mineral, manufacturing and agricultural industries, partly from of the ingenuity, energy and versatility of our people, but more because of the free air we breathe, and the free institutions under which we live there is an almost tropical impulse given to the growth of wealth among us; and in finance as well as in politics, Mr. Madison's words to Miss Edgeworth are verified, that Providence seems to have set the United States to do many things which before were thought impossible.

In view of these facts we see how it was that our people were able to lend, without foreign help, so vast an amount of capital as 2,500 millions of dollars to the Government to carry on the late war. In that war we wasted much of our capital, but what was left fructified with such rapidity that it left us at the close richer than we were at the beginning.

We also see that there is really no danger of repudiation of our public debt. It is too widely distributed among ourselves, it is held by too many of our people, it forms too fundamental a part of the great fabric of our national life to admit of its being disturbed. To repudiate our national debt would be to shake the security of all property throughout the country. A revolution of such magnitude would end in the disruption of the nation, and would deservedly make of us a monument for the contempt and wonder of the nations of all succeeding times. So monstrous and absurd is the anticipation of repudiation, that the very word has long ceased to be whispered by our most confirmed croakers. Occasionally it is urged, we observe by certain unappreciative English journals, which thus deter some of their countrymen from investing in our bonds, doing us the service thereby of checking the too great foreign demands for the most remunerative, safe investments which can be had at present by British capitalists.

We have said the foreign demand is too great. For ourselves, we do not look with so much favor on the exportation of Five-twenties as do some persons for whose judgment we have the highest possible respect. If, while the national debt was increasing, the growth of our wealth was so great that we could absorb the bonds as they were issued, surely, now that the debt has ceased to increase, we can take care of these bonds, by means of the constant augmentation ever going on, of our rapidly growing wealth. Besides our bonds are too cheap as yet. We cannot look with complacency on their passing into the hands of foreign creditors at eighty cents on the dollar for six per cent. gold-bearing Five-twenties.

Moreover, there is another fact which may be variously interpreted, but is not without interest. Our daily papers have recently given considerable attention to the increasing disposition of capital to invest itself in railroad property. During the period in which the national debt was growing, the new federal securities which were being issued absorbed our new capital, but two years have passed since the debt ceased to grow. As our wealth has been growing during that time, the argument is that the national securities are not now sufficient to afford the means of investment. Hence, it is said, the attention of capitalists is diverted to other securities, and to those of the most promising railroads among the rest. We do not endorse this opinion. It is, however, worthy of examination in connection with the general movements of capital to which we have referred.

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### ECONOMY IN FUEL.

Some very interesting and important experiments have recently been made in England with what is called Lancaster's patent for inducing the more perfect combustion of fuel in furnaces. The enormous amount of coal wasted in the furnaces, as at present constructed, has long engaged the most serious attention, adding as it does materially to the cost of steam power. In the furnaces as at present constructed, a very large percentage of the heating power escapes through the funnel, and the smoke which should be consumed passes off into the air. On shore the atmosphere is polluted and vitiated, and at sea those on board ship are annoyed by the "smoke fog," which frequently interferes with the "look-out." In Lancaster's patent the smoke is consumed, and not only is the heating power greater because more sustained at a regular temperature with less variations, but the saving of coal is something extraordinary. For the benefit of the steamship-owning community, who are so largely interested in the matter, we subjoin the results of some of the experiments on board the steamer *Demetrius*, Captain Baron. The *Demetrius* is a steamer of 418 tons register, fitted with engines of 70 horse power nominal, her furnaces being constructed on the Lancaster principle. The ship is a fair specimen of the merchant steamers engaged in the Mediterranean and other trades. In order to test the advantages of the Lancaster principle, a trial trip was made from Liverpool to Llandudno Bay, and the very great value of the invention was most satisfactorily demonstrated. It was found that a saving approaching one-half was effected, and that the funnels were comparatively smokeless. The engines were worked at 65 revolutions, and there was a remarkable regularity in firing, indeed, the fireman had a light time of it. The measured mile was run in 6 minutes leaving Liverpool, and in 5 minutes 40 seconds on the return trip. It was found that almost any amount of pressure could be obtained, the combustion being most complete, and the heat intense and well diffused over the whole of the furnaces. After the run the tubes were found to contain less deposit than under the old system. The engineers on board expressed their very high approval of the Lancaster system. We may state that the invention has already been applied to locomotive and stationary engines, and that it has been found to work exceedingly well. The principle is also applicable to puddling furnaces.



# **TYPOGRAPHY AND TYPE-SETTING MACHINES AT THE PARIS EXPOSITION.**

BY F. F. BLANO.\*

For four hundred years past type-setting, this important part of typography, has been performed in the same manner. While in all other branches of industry machines came to aid or supplant the hand of man, compositors alone have remained at their posts, perfecting their art, it is true, and making unparalleled efforts to acquire a skill which in many instances is truly marvelous and would not fail to astonish the first old printers if they could see what the "craft" is able to do now-a-days.

The fact is, it is by no means easy to replace by a machine the constant attention indispensable to the compositor, who incessantly tries to familiarize himself with the thoughts of the writer whose manuscript he is studying. Just try to make a machine read handwritings such as are seen only too often, and the illegibility of which frequently puzzles even the writer when the compositor in despair places before him the words which he was unable to read or to guess. To be a good compositor it is not sufficient for a man to have good eyes and nimble fingers, he must also have some literary knowledge, and especially be familiar with punctuation, that his "proofs" may not look too bad. He must in some sort, as it were, identify himself with the author, penetrate his peculiarities and fully understand what he means. A compositor destitute of these qualifications can not claim a distinguished and lucrative position in his honorable trade; he must devote a great deal of time to the correction of his "proofs," makes, of course, less money than his more skillful colleagues, and will lose his place a great deal sooner than these.

It is owing to this careful and pains-taking attention which the compositor must give to what he sets up that machines hitherto have not been able to fill his place in the printing offices. But inventors, these tenacious benefactors of mankind, do not allow themselves to be disheartened, and being unable to supplant the compositor entirely, they have sought the means of assisting him and facilitating, by a more rapid process, the setting of the letters destined to form words, always leaving him the responsibility for the work executed by his will. Starting from this idea, M. Delcambre, more than twenty-five years ago, invented the *pianotype*. This machine, which combines a great many peculiarities of the piano with those of the sewing-machine, created some sensation toward the year 1845. Several proprietors of printing-offices bought these machines, and for a short time it was really believed that a revolution would take place in the great realm of typography. A great number of these machines had been manufactured, and a single printer purchased ten of them. The trial proved deceptive, and the printers soon cast aside as worthless the instrument which had cost its inventor a great deal of money and labor.

One of the principal causes of this failure was the distribution, that is to say

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\*Translated for the Cincinnati *Commercial*, from the *Revue de Paris*.

the return of the type used in composition to their places in the cases. The compositor was obliged to distribute them with his hands, as is being done now, then to put the equal letters together in order to place them in the openings of the type setting machine. It is easily seen that this preparatory composition made the compositor lose already in advance all the advantages which he derived afterward from the performance of the composition by the machine. The machine was obviously incomplete. It was all-important, therefore, to perfect it, or rather invent a distributing machine which would place the types in the order in which they must be to serve again for the formation of words; it was impossible to derive any benefit from the former machine without adding the latter to it. The inventor, therefore, had to go to work again, and to-day we see at the Exposition both the perfected machine and the *distribu'er*, all manufactured by Messrs. Fridore Delcambre, Cruys & Co. The first time that I saw this type-setting machine, I could not repress my admiration, and I should have willingly awarded a grand prize to its inventor. I did not see and could not see whether there were imperfections about it. I scarcely ventured to make it work or ask explanations about it, so much I was afraid of having my fond hopes dispelled.

In effect, there is a fascination in the spectacle presented by the types falling so nimbly and noiselessly under the pressure of the fingers which touch the keys of the finger-board, one believes that perfection in this attractive trade has been attained. The types are detached one after another, glide through small channels on an inclined plane and form a number of words from which the compositor takes enough to fill his galley, which is attached to the end of one of the above-mentioned channels. But I had to restrain my admiration. I had to examine carefully and conscientiously what future this new machine might have. To describe all its details would be tedious and would not give my readers an adequate idea of its value. Therefore, it seems to me preferable to speak at once of the results of my investigation.

The machine itself works certainly very well, and if the all-important thing was to drop the types regularly, I should hasten to state that a most valuable increase in the rapidity of type-setting had been accomplished. But it is complicated, and three persons are required to work it, one to distribute, the second to compose, the third to arrange the words in the galley. I do not care whether women or children may be employed to fill one or more of these places. The advantage or loss are to be calculated according to the time used by the compositors and not by the number of the hands employed. Now I do not hesitate to say that the fact that three persons are required to work the machine neutralizes the advantages to be derived from it.

In the present system of type-setting, when a compositor loses time by repeatedly reading the copy which he has before him and correcting what he has set up, it is he alone that loses, and this loss of time, which is renewed very often during the day, and frequently caused by trifling things, is sustained only by himself and does not injure two other persons. Here, on the contrary, whenever he stops, his two assistants at the galley and the distributor must do so too. This is more serious than it seems at first, and would almost suffice to make us question the value of the whole invention.

On the other hand, it is to be regretted that the compositor working at the finger-board can not himself correct what he has set up. It happens often that the compositor sets up a word of which he is not quite sure, and corrects it on reading the end of his line, being better informed by the subsequent words which he has read since then and which give him the true sense of the phrase. In punctuating, above all things, this way of correcting is the best. Now, to do this, the compositor must have the copy before him. By repeatedly examining it, he will afterward be saved the trouble and vexation of having his proofs disfigured by an endless number of corrections. The compositor arranging the lines in the galley of Delcambre's machine does not see the copy at all. It is in the hands of his companion working at the finger-board, who continues to touch the keys as if the man at the galley need not see the manuscript at all, and as if the second part of the labor was not inseparable from the first. These considerations deprive the type-setting machine of its importance and dispel the enthusiasm with which we contemplate it at first. And yet all this is nothing compared with the great difficulty of distribution, which is not surmounted by the machine.

The distributor attached to the type-setting machine is destined to save it, or at least counteract its imperfections. Instead of doing so, instead of facilitating the process of distribution, it impedes it. I can not explain the details of the distributor, which would take too much space, and will say merely that, as in setting up, the compositor must give his attention to the distribution, and that the work is performed by his will, under his fingers, and while he is reading his copy. He who has seen our compositors engaged in distributing is astonished at the rapidity and skill with which they perform this part of their typographical trade. It seems impossible that the work should be done better and with greater regularity and quickness. In effect, this hand, which is incessant motion and which seems to have an eye on every finger, will a long time yet successfully defy the mechanical distributor. The advantage of the latter is, that it puts back in the cases entire words, which may be placed again in the type-setting machine without recomposition, which was one of the weak points of the first invention. This advantage, however, has to be dearly purchased. The manner in which it is constructed does not permit the compositor to read directly the lines which he is about to distribute. He is obliged to have recourse to a mirror reflecting them in a precarious and imperfect manner. In distributing, quick and unhesitating reading is of the highest importance. The mirror arrangement is not calculated to facilitate the operation. It is precarious already in broad daylight. You may imagine how it will be at night or when the sky is overcast. I must say, therefore, greatly to my regret, that the distributing machine does not perfect the type-setting machine, and as the latter in itself is of no use, the problem of mechanical type-setting has not yet been solved.

Let us now turn to another machine, that of Mr. Flamm, and constructed by M. Coven-Carmouche. This machine, I must confess, embarrassed me not a little accustomed to hear our printers talk of a Danish machine which I did not see at the Exposition, and of Delcambre's machine, both of which use ordinary types, we had thought all researches in this direction would follow the same

beaten track. Mr. Flamm did not look at the matter in this light, and, regardless of what had been tried prior to him, bravely entered the lists with a machine entirely suppressing the typographical case and the letters which it contains. An alphabet, with all its accessories, capitals, marks of punctuation, is all he cares for. He does not suppress the compositor, but certainly the material which the compositor uses at present. To tell the truth, Flamm's machine makes matrices in place of setting type, and the *clicheur* is here indispensable. The letters which are to compose the words are placed in a reservoir turning on a pivot; these letters imprint themselves at the pleasure of him who works the apparatus in a paste or *flan* prepared beforehand, and placed under the above mentioned reservoir. To facilitate this operation the inventor has had every letter, or marks engraved on the surface of the reservoir; the compositor presses on it and thus lowers the letter that he needs. The *flan*, which becomes a matrix, is supported by a small wagon which moves under the reservoir as is required, transversely or longitudinally; the former movement is required for the formation of the lines; the latter to obtain the length of the pages and to divide the lines.

On seeing this very ingenious and well-working machine, an expert will at once ask himself how the justification of the lines is to be brought about by it. With moveable letters, when the words do not terminate the line, and the space of a few letters which cannot be separated from their words remains vacant, the evil is remedied by an enlargement of the intervals between the words of the line; in the Flamm's system this is impossible. But to obtain the same result Mr. Flamm has placed under the reservoir an apparatus with a moveable needle; this needle touches a small bell and indicates at once to the compositor when it is time to think of this sort of work. He proceeds then to enlarge or narrow the intervals between the last words. An experienced hand will find no trouble in surmounting this difficulty.

However, this is not the only difficulty, there is a much greater one. The real difficulty is to be found in the correction. To correct what is set up, fresh paste has to be spread over the imperfect part, and the composition of the word or the line has to be recommenced. The difficulty is much increased in case the corrections to be made augment or diminish the number of lines. This difficulty seems to me so great, that it seems to me Flamm's machine can only be used in reprint, in printed matter, not necessitating any change or important corrections.

Now, it must be stated that as a labor-saving machine, Flamm's invention is not very remarkable, for it does not work more rapidly than an ordinary compositor. Its whole advantage then would consist in the suppression of the printing material; but, to judge from the prices affixed to the machines, it is doubtful whether they do not require a capital equivalent to that of our ordinary offices.

Flamm's machine for lithographers is much more practical, and will do better service than his common printing machine. For the rest, he is not the only inventor who has thought of supplanting type-setting by matrices. An American has exhibited a machine which, though constructed in a different manner, leads to the same results, with the exception of its advantages to lithographers. My censures regarding justification and correction are applicable to it as well as to Flamm's machine. For the rest the inventor admits that he has not yet found

"*le dernier mot*," (the last word). He is happy at having invented the principle of his machines, and calls upon other inventors to perfect it. This is shown, at least, by the words which he graciously printed in reply to the questions which I put to him: "The inventor of this type setting machine desires to have it understood that he claims by no means to have reached perfection."

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### HOW MEXICAN SILVER MINES ARE WORKED.

A newly discovered mine belongs to any person who denounces it, provided a shaft of at least ten varas in depth be sunk on the vein within sixty days after it is denounced. A claim consists of 200 varas square. Mines that have been abandoned, or those in which work has been suspended for a space of four consecutive months, may also be denounced. The reducing and crushing work (*haciendas de beneficio*) are considered as having been abandoned, and may become the property of whomsoever denounces them when they no longer serve for their original purpose—when the roots have fallen in, and the machinery has been removed—but the owner has a delay of four months to resume operations if he wishes to preserve his property. A miner or the proprietor of metallurgical works cannot be expropriated by his creditors, who may take possession of a mine and work it for their own benefit until the debt contracted by the owner is extinguished; but they are compelled by law to allow him sufficient means to maintain himself and family. A shepherd or a laboring man accidentally discovers near these *crestones*, which rise above the surface, quartz containing metallic substances. He endeavors to procure some rock at a depth where it has not felt the action of the atmospheric air, builds a fire in which he casts a few pieces of ore at a very high temperature, and if specks of silver are observed the mine is denounced for the purpose of securing possession of it to the discoverer. The law requires a shaft to be sunk in the vein of at least ten varas within 60 days after the denouncement, at the expiration of which if the mine has been ascertained to be new one, or to have ceased to be the property of a former denouncer, a grant is made of 200 varas square. The grantee then procures partners to develop the mine, should he lack capital for that purpose. The value of the mine is divided into twenty-four shares, called *barras*, the half of which is given over to the capitalists, named *aviadores*. The regular development of the mine then commences. When a depth has been reached where silver is generally the most abundant, and the quantity of water and expenses of extracting not yet too considerable, the yield is very remunerative; at this stage of development, reducing works are erected (*haciendas de beneficio*) frequently on a large scale not always based on the future general yield of the veins. At the same time underground work is carried on to facilitate mining operations, as also the extraction of the ore, and the draining of the mine. When mines in the bonanza condition are in the hands of one individual, as in the case of Counts de Valenciana and Reglas, and the Marquis de Rayas, these works are remarkable not only for their magnificence and extent, but for their utility in less prosperous times, when without them the ores becoming poorer could not be extracted

through the older communications. In most cases at the present day the 24 barras, which constitute the shares of a mine, are divided into small fractions, and represent numerous conflicting interests which seem to combine but for one purpose, that of realising from the undertaking as much as possible, disregarding of the evil consequences which may affect the future prosperity of the mine. Their motto appears to be, "Sufficient unto the day is the profit thereof." The consequences of this view of mining operations is that no regular and methodical course is pursued, the richest ore only being extracted at several places at the same time, or where it is most easily obtained, masses of poorer ore being left behind, the working of which is resumed when the bonzana ceases. It is difficult to understand why a small amount of these enormous profits is not devoted to researches which are undertaken, only when the expenses exceed the profits, and the prospects of a profitable investment are doubtful. When the zone of the greatest yield has been worked through, if the depth is such as to render the cost the cost of extraction too considerable, the bonzana ceases. The poorest ore left in upper parts of the mine is then worked, and, as the greatest expense is the draining, the water is allowed to fill the lower works. For some time the reserve of ore of medium yield is sufficient to cover expenses; but beyond a certain point, day or contract work for a certain weight of ore extracted is no longer profitable; and in order to guard against the chances of loss, the miners are allowed an interest in the profits, say one-sixth, one-third, and even one-half of what they extract. The owner furnishes tools, light and powder, the draining and hoisting being also at his expense. This is called *partido*; the miners, who are then called *buscones*, prefer it to day or task work, and as it is voluntary labor they take it easy, and find a certain charm to be indebted to chance for their salary, which will frequently, in one week, be enormous, after working for a month or more without earning scarcely sufficient for their maintenance. Gradually the resources are exhausted, and the number of men only required by law are kept at work, in order to retain possession of the mine, and new *aviadores* are found who supply the funds necessary for the expense of draining and continuing the work in the lower part of the mine, running prospecting drifts at points where ore was expected to be found, but which had been neglected when the mine was full of water.—*New Orleans Price Current*.

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#### CO-OPERATIVE SHIPBUILDING.

Perhaps we should have said co-operative shipowning, but that the two are very closely connected with each other. Our purpose is to illustrate a phase of the co-operative principle which is now, and has been for some years, in successful operation in the maritime provinces. We allude to the system of shipbuilding and owning in shares, a system which is largely practised both in New Brunswick and Nova Scotia, and which we believe to be capable of a much wider range of application than it has yet received. The extent to which shipbuilding operations have been carried in the maritime provinces is almost without a parallel, and in proportion to their population they have more shipping than any

other similar population in the world, the co-operative system contributing more than any other cause to this result. In the remarks we are about to make we shall refer more particularly to New Brunswick; but they are equally true in a general sense when applied to the sister province of Nova Scotia. From a reference to official papers, we find that the total amount of shipping on the registry books of the province in the year 1865 (the latest return published) was 1,019 vessels, measuring 349,675 tons, and that the quantity of the new shipping built during that year amounted to 148 vessels—65,474 tons. Twelve of these vessels measuring 11,774 tons, were sent home for sale, and it is pretty good evidence of the superiority of New Brunswick-built shipping when we find that they average from 10s. to 20s. per ton higher in price than Quebec-built vessels. A large number of those remaining are, however, owned and sailed by parties residing in the province, and very many of them were built under this system of co-operation. The comptroller of customs of St. John, in his last report, says:—"The business of shipowning in shares, which has now become general in New Brunswick, has done much to bring about an improved state of affairs, and has tended during the last few years to increase very materially the wealth of the country. The earnings of our vessels abroad, which are constantly coming into the province in the shape of exchange, have assisted greatly to prevent derangement in our monetary affairs. It is not an uncommon thing for a good spruced class vessel of this country to keep herself in good repair and insured, and pay for her first cost in four years, and sometimes even in two or three years." The mode of procedure is something as follows:—A number of individuals join together to build a vessel of a certain size and class, probable expense is easily ascertained, and she is divided into 64 shares; these are taken by as many individuals as there are shares, or are distributed as may be found most convenient; the payments are spread over as long a time as the vessel may take in building, usually three, six, and nine months; the outfit is ordered in England, and very frequently the first freight can be handled in time to pay the cost of outfit. There are some regulations of a peculiar kind with regard to the management. The business of the vessel is usually conducted by one of the shareholders, but if the management should not be considered satisfactory, five-eighths of the shares can take possession of her upon giving bonds to the other owners that she shall be kept in good order, and if the vessel should run in debt those who have taken possession of her are alone responsible. On the other hand, the minority share no portion of the profits which may be made during that time. Each shareholder is allowed to underwrite his own share, and, as it is the practice of all who extensively own in this way to distribute their shares among a great number of vessels, considerable advantage is derived from this source. Under this system we see there are a number of individuals, each of whom is interested in procuring freight, or otherwise forwarding the interest of the vessel. The captain probably owns a share, and the result is that these vessels are sailed cheaper and make more money for their owners than any other. We remember hearing a story that at the time of the war between the Greeks and the Turks it was remarked that the Greek vessels were seldom or ever captured, and the reason assigned was that every soul on board, from the captain

to the cabin boy, had an interest in the vessel: and whether the story be true or not, there can be no doubt that it is owing to the operation of some such principle that the success of co-operative ship building and owning is indebted. A few instances, taken from among a great many others which have come to our knowledge, may serve to illustrate the extent to which the system is carried. One gentleman residing at Fredericton owns shares in 25 vessels, in most of them only a sixteenth, and in none of them more than a quarter. Another at Dorchester has in the same way shares in 24 vessels, from a sixteenth to a quarter; and in St. John there are many parties who are interested in different vessels from two to three up to 20 or even 30 shares. It will be observed that there is little or no risk in this business (especially when the sharer's shares are distributed among so many vessels). The vessel, too, is always kept well insured, and many families derive a steady and even handsome income from this source. It should be noticed that, as a general rule, the class of vessels built and run in this way are not of large size; a great many of them are brigantines and schooners, ranging from 150 to 300 tons, and a good spruce vessel, built to class four years at Lloyd's, is considered the best kind. They may not be quite so durable as homatic, but they cost less, and carry a larger cargo on the same draught of water.—*Montreal Trade Review*.

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#### RUSSIA, PRUSSIA, PERSIA AND INDIA IN TELEGRAPHS.

The following are said to be the exact terms of the arrangements lately entered into by the Russian and Prussian Governments with Messrs. Siemens Brothers, of London, and Siemens, Halske & Co., of Berlin and St. Petersburg, in relation to the construction of a new line of telegraph between England and India through their respective territories. The latter firm have for many years been under contract with the Russian Government to maintain their lines of telegraph in working condition, one of the partners residing for that purpose at Tiflis, in the Caucasus. The Russian Government have now agreed to give a right of way through Russian territory, free of cost, and a concession for working a new line of telegraph and stations for twenty-five years from the date of opening. The government yield to the company their right of forwarding messages to and from India upon the Imperial Telegraph lines, and engage to hand over to the company all such messages touching Russian territory for transmission over its lines. The company is to work the line by means of its own officials. In return for these privileges the Russian Government exact a royalty of less than one-third of the existing internal tariff—that is to say, a royalty of five francs per message, which is to be diminished rateably as the through tariff between England and India is diminished from the existing rate of £5 1s. On the other hand, the Prussian Government engage to construct and to maintain two special lines through North Germany at their own expense, and to hand them over to the company for the period of twenty-five years. For these services of construction and maintenance, and for the privileges mentioned in the concession, the Prussian Government charge 2½ francs per mes



sage, to be reduced as in the case of Russia, in the event of the through tariff being reduced. All messages to and from India, touching German territory, will be handed over by the German officials to the company for transmission over its lines. A right of landing cables on German territory is given to the company. As there are no private telegraph lines in Russia or in Prussia, the company will enjoy a complete monopoly of all the through messages. The Electric and International Company also agree to lease two wires of the cable lately laid to Hanover to the Company. The British Government assist the whole arrangement and engage to give every facility for the transmission of messages over the lines which they work in Persia, between India, Ispahan and Teheran. The Persian line in British hands consists of two wires, and works very well. The British Government also promise to reduce the tariff over the Persian lines and the Persian Gulf cable so soon as an increase of messages shall occur in consequence of the new lines. The Prussian and Russian Governments permit the transmission of half messages to and from India of ten words each at half the present tariff, and it is expected that the same concession will be made by the British Government. At present no message can be charged at less than twenty words. The company will lay a submarine cable in the Black Sea, 280 miles in length, between the Crimea and the Circassian coast. By means of these several arrangements an English company will hold and work an uninterrupted line of telegraph from England to Persia, the line from Teheran to India being already in the hands of the British Government. The few sections of the line which consist of submarine cables are laid in shallow water, where repairs can be effected without delay or difficulty. The cost of land lines is only one-third or one-fourth that of submarine lines, and the great interest which the respective governments possess, through whose territories it is proposed to pass, that their countries should form the telegraphic highway to India and the East will, it is considered, insure the efficient maintenance of the contemplated communication. Negotiations are in progress with the Persian Government for an independent line in the company's hands between the Russian territory and Teheran. Immediate steps will be taken to raise a portion of the capital in England and to commence the work.

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#### EGYPTIAN AGRICULTURE.

The report of Mr. Stanley, the English Consul at Alexandria, states that the present condition of the agricultural industry of Egypt has been so entirely diverted from the rotation of crops in its normal state that any person now going through the country to take a view of the produce of the soil would be altogether misled. The enormous profits which were realised by the growth of cotton during the American war have caused this. When the Cotton Supply Association sent out their Secretary, Dr. Forbes, to India, that gentleman was bearer of a memorial to the late Viceroy Said Pasha, praying his Highness to use every possible effort to encourage the cultivation of cotton. The reply was characteristic, and evinced a correct impression and almost a prophetic dread of the revolution

that would be produced by an immoderately enhanced price of cotton. He said : " Prices alone will prove a sufficient stimulus with out any effort on my part ; but God forbid that I should ever see the abandonment of the ordinary succession of crops for the production of cotton, to the exclusion of those products on which we subsist." Within a short period of that time Egypt, which had ever been a large exporter of grain, of beans, &c., had to seek food from other countries, and became an extensive importer. Grain was considerably dearer in the interior than at Alexandria. In some places absolute famine ensued. An undesirable change was wrought, the recovery from which will be as slow as its accomplishment was rapid. The value of land was quadrupled, wages rose in an equal ratio, laborers earned so easily sufficient for their wants that they became indolent, an excessive luxury sprang up, and that not of a nature to benefit the commercial world, being displayed in a demand for white slave girls, costly pipes and other appliances which (the consul remarks) do not much benefit the industrious world without. Meanwhile the land, from the constant crops of cotton in succession, has become impoverished. Cotton, however, has long been, and must continue to be, the most important production of Egypt. It is sown in March or April and arrives at maturity in August or September. An average yield in good summers is 300 lbs to the acre ; the New Orleans variety has been found to yield 800 lb. per acre ; but it is found unmarketable, and is therefore little cultivated. Cotton seed has also become an important source of profit. In 1858 the ardeb of 270 lb. sold for 25 tarif piastres, now it sells from 65 piastres to 75 piastres. Formerly it was not of sufficient value to justify of its being sent to Alexandria, and it was used as fuel. Now it is all shipped to Europe, and from it is pressed an excellent oil, and from the refuse a cake is made which is said to be more nutritious than linseed cake. The cattle murrain, which commenced in Egypt before it proved so severe a scourge in England, destroyed, the first year, 800,000 head of horned cattle. In lower Egypt almost every animal was destroyed, and it will take years to restore the number of animals.

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#### THE RAILWAY REPORT OF INDIA.

The annual report on railways in India, by Mr. Juland Danvers, has just been presented. The traffic for the year 1866 was affected by the commercial troubles as well as by droughts in some parts of the country and unparalleled floods in other parts. Still the two great companies, the East Indian and the Great Indian Peninsular, realized profits during the earlier half which enabled them for the first time to divide more than the 5 per cent interest guaranteed. To prevent any check to the progress of construction of the various lines from the difficulty of rising capital, the Government have at times made advances of more than a million sterling. At the beginning of the year there were 3,331 miles open, 205 were finished during the twelve months, and 101 miles since, thus raising the total to 3,637. The completion of the Great Indian Peninsular to Nagpore places India in a greatly improved position for providing this country with cotton. As regards the works in course of construction, it is expected

that the East Indian line to Jubbulpore will have been opened to the public on the 1st of the present month and that the Great Indian Peninsular will, by October or November, 1868, effect a junction at that place which will establish a through communication between Bombay and Calcutta. The total length of railways remaining to be constructed and for which a Government guarantee has been granted is 2,005½ miles. In addition, proposals have been considered for three lines, namely, one 570 miles from Baroda to Delhi, one of 500 miles, to unite the Scinde and Punjab, and one of 250 miles from Lahore to Peshawur. The first would cost £6,840,000, the second £6,000,000, and the third £5,000,000, making a total of nearly 18 millions. It has been determined not to authorize the Lahore and Peshawur, and no decision has yet been come to with respect to the others, but surveys are being carried on. There are also projected, which are evidently not regarded with disfavor by the Government, for a chord line for the Great Indian Peninsular railway to the sea coast and an extension of the East Indian across the Hooghly into Calcutta. The financial public may, therefore, still have to exercise vigilance to prevent a repetition of the old system of a too profuse grant of guarantees, by which English capitalists are tempted to come under commitments that not only prevent capital from being directed to any other country than India, but also prove extremely burdensome when any revulsion occurs from a period of inflation in the money market. The fact that the native population continue to abstain from furnishing any portion of the capital of these undertakings adds especial weight to these considerations. Out of 43,398 shareholders and debenture holders, the native proportion, which was in the previous year only a little over 1 per cent is now actually below that amount. The total capital thus far raised for the Indian lines is £67,254,820, and the further lines already authorized will raise this to £88,000,000. The receipts of the year ended the 30th of June, 1866, were £4,537,235, whilst the expenses of working and maintenance were £2,225,425, showing a net profit of £2,304,534—a result which contrasts favorably with the working expenditure of our largest English companies, notwithstanding the adverse influence of dear fuel. At the existing rate of freights, coal and coke, before they are landed in India, cost 50s. per ton, and the extra charges, so far as the western and southern districts are concerned, raise the cost to about 60s. The East Indian Company have exceptional advantages from the coal-fields near Calcutta, and the cost to them of coal per train mile is 8½d., while on the Great Indian Peninsular it is 1s. 6½d. Coal from Australia and Labuan is being tried, but wood is looked to as the resource that must in many cases be relied upon, and with that view planting on an extensive scale should take place it is considered, annually for severally years to come.

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#### THE TRAFFIC IN SHIP TIMBER.

The Toledo *Blade* says that one of the most remarkable features of the traffic at Toledo at present is the large quantity of ship timber shipped to tide water. In 1866 this trade was deemed very large when, prior to the 15th of August, about 540,000 cubic feet was sent forward, but the business this season has been

more than double that of last year, amounting from the opening of navigation to Saturday last to almost one million cubic feet. This timber, it should be known, is all of oak, principally of the "white" variety. It is rafted hither down the river and through the canal, and is here loaded into vessels constructed for that particular trade. There is now a fleet of ten or twelve vessels engaged exclusively in this traffic. As showing the activity in the business this season, we have collected from our files the following figures, exhibiting the amount of timber shipped, its destination from here, and number of cargoes taken away from the opening of navigation to Saturday last, July 27 :

	No. Cargoes.
To Buffalo.....	40
To Clayton.....	4
To Kingston.....	14
Total.....	58

The quantity shipped to each of the above ports is shown below :

	Cubic feet.
To Buffalo.....	718,500
To Clayton.....	48,000
To Kingston.....	185,000
Total.....	948,000

The timber shipped to Clayton was intended for local purposes, and nearly all of it has or will go into the lake marine. A considerable portion of that shipped to Buffalo (or Tonawanda) will be used in building for the lake marine, but by far the greater part of it goes forward to New York, where it is used in the construction of vessels. It may be safely asserted that Toledo furnishes more than one half of all the white oak timber used at Buffalo and New York in the construction of vessels. Ship builders at both the ports named are very partial to the oak from the Maumee country, as the demand which necessitates so large shipments is evidence.

As shown above, there has been shipped to Kingston fourteen cargoes, aggregating 185,500 cubic feet. This timber, as we are informed by the captain of a vessel employed in the timber trade, is not designed for use at Kingston. It is purchased for the use of the British Government, and from the port named above is shipped direct to England. We learn that there also the timber from this locality is estimated very highly for its strength and durability. Of the quantity shipped on English account all has been destined for the navy yards, to be used in the construction of war vessels.

## RAILROAD REPORTS.

### NEW YORK AND NEW HAVEN RAILROAD.

The earnings and expenses of this company from operations for the five last fiscal years ending March 31, were as follows :

	1862-3.	1863-4.	1864-5.	1865-6.	1866-7.
Passengers.....	\$901,754 18	\$1,134,899 83	\$1,500,333 74	\$1,548,590 18	\$1,612,533 25
Freight.....	166,614 78	214,854 02	263,904 80	340,077 79	333,551 89
Mails, &c.....	63,063 81	75,519 06	83,053 77	93,614 75	122,229 81
Total earnings.....	\$1,036,437 77	\$1,424,773 81	\$1,847,291 81	\$1,982,212 72	\$2,068,260 05

From which were paid on account of operating—

Transportation .....	\$222,303 91	\$318,614 23	\$435,452 68	\$469,689 31	\$548,817 60
Repairs of road, &c.....	100,535 84	54,417 59	220,915 10	286,485 84	324,756 60
Repairs of equipment....	187,069 61	151,690 48	226,346 16	231,712 39	247,899 54
Fuel, oil and waste.....	85,880 62	136,189 20	214,902 27	194,143 39	173,497 09
Haulage by horse-power....	29,552 60	43,399 50	77,128 75	75,692 30	69,750 75
Total expenses.....	\$582,341 58	\$704,309 96	\$1,221,994 96	\$1,349,733 49	\$1,364,243 58
Earnings less expenses...	\$454,066 19	\$720,462 33	\$622,596 85	\$631,439 25	\$704,016 47

This road (including 15 miles of the Harlem Railroad) extends from New York to New Haven, a distance of 76 miles. It is a double track throughout.

The following shows the mileage of trains, the number and mileage of passengers, and the tons and mileage of freight in each year:

	1863-3.	1863-4.	1864-5.	1865-6.	1866-7.
Trains (passenger), mileage.....	418,743	445,617	539,188	535,126	551,604
" (Freight), " .....	97,024	104,308	104,633	101,340	109,150
" (Service), " .....	3,043	485	17,994	26,110	16,089
Total trains, " .....	518,810	570,410	662,755	672,576	676,843
Passengers carried.....	1,174,171	1,455,155	1,833,575	1,848,915	1,885,598
" " " one mile.....	41,348,675	53,040,423	68,736,307	66,709,592	65,211,107
Tons of freight carried.....	74,707	94,726	168,360	118,743	127,765
" " " one mile.....	4,429,674	5,539,174	6,048,608	6,737,444	7,359,912

The "general account" showing the total financial transactions of the company for each year, is given in the following statement:

	1863-3.	1863-4.	1864-5.	1865-6.	1866-7.
Cash on hand April 1.....	118,643 23	\$343,015 84	\$3 0,410 10	\$166,445 42	\$407,051 80
Mortgage b'ds sold.....	110,000 00				
Materials on hand.....	88,258 03	90,515 17	222,347 12	262,321 98	238,998 41
Allotted stock .....				1,001,025 00	995,000 00
Inc. of acc'ts pay'le.....	73,276 45	80,330 55	11,499 12		117,260 60
Land sold .....			150 00		
Earnings less exp. ....	454,066 19	720,462 33	622,596 85	632,439 25	704,016 47
Total.....	864,273 95	1,133,323 89	1,187,003 29	2,162,281 65	2,563,327 23

Per contra, as follows, viz.:

	1863-3.	1863-4.	1864-5.	1865-6.	1866-7.
Coupons.....	\$129,130 00	\$129,130 00	\$129,130 00	\$129,130 00	\$129,130 00
Loss " Canal R.R.".....	20,349 24	9,908 47	28,905 03	44,799 97	30,705 10
Dividends .....	380,000 00	376,500 00	324,897 00	144,853 00	550,000 00
Reduction of accounts payable.....				82,411 55	
Bonds, retired and purchased....					930,500 00
Fractional shares on allotment.....				7,190 00	
Equipment (new).....	2,089 94	52,594 19	167,497 85	37,855 22	51,453 68
Real estate (purch'd).....					30,710 00
Schuyler f'd settlem.....				970,002 70	64,540 29
Railr'd (new works).....	188 66	12,493 61	7,826 01		21,508 54
Materials on hand.....	90,515 17	222,347 22	363,321 98	338,998 41	247,024 59
Cash on h'd Mar. 31.....	243,015 92	330,410 10	166,445 42	407,051 80	516,736 05
Total.....	844,273 95	1,133,323 89	1,187,003 29	2,162,281 65	2,563,327 23

The financial condition of the company, as shown on the general balance sheets at the close of each year, is exhibited in the following figures:

	1863-3.	1863-4.	1864-5.	1865-6.	1866-7.
Stock (100 shares).....	\$3,000,000 00	2,572,800 00	2,619,600 00	5,000,000 00	6,000,000 00
Bonds due Dec. 31, 1866.....	912 000 00	912,000 00	912,000 00	912,000 00	11,000 00
B'ds due Oct. 1, '76.....	1,068,000 00	1,068,000 00	1,068,000 00	1,068,000 00	1,068,500 00
Profit and loss .....	622,995 22	827,869 08	967,543 90	940,386 18	934,597 52
Accounts payable.....	181,367 14	211,647 69	423,196 81	140,785 26	253,045 86
Total.....	5,764,263 36	5,612,366 77	6,810,340 71	8,061,181 44	8,272,133 39

Against which are charged as follows, viz.:

Railroad, &c.....	4,643,533 84	4,656,426 45	4,664,102 46	4,656,302 46	4,677,811 00
Loss by Schnyler fraud.....		572,800 00	619,000 00	1,599,303 70	1,663,742 99
Equipment.....	712,492 65	764,877 34	932,365 19	970,330 41	1,021,673 09
Real estate (including leases).....	65,506 66	65,506 66	65,506 66	65,506 66	96,245 66
Forfeited stock.....					48,900 00
Materials.....	90,515 17	222,247 22	362,321 93	338,998 41	247,024 59
Cash.....	242,015 84	330,410 10	166,445 42	407,051 80	516,736 05
Total.....	5,754,323 36	6,612,366 77	6,810,340 71	8,061,181 44	8,973,133 38

#### CINCINNATI, HAMILTON AND DAYTON RAILROAD.

The earnings and expense account of the Cincinnati, Hamilton and Dayton Railroad Company yearly for the last five years, ending March 31, gives the following results:

	1863-63.	1863-64.	1864-65.	1865-66.	1866-67.
Passenger earnings.....	\$348,898 39	\$457,162 86	\$546,810 15	\$545,666 09	\$457,665 26
Freight.....	446,633 08	526,758 46	614,944 53	748,673 88	737,001 15
Mail and express earnings.....	47,167 21	56,115 94	47,421 12	46,690 66	41,763 10
Rent of track, &c.....	27,286 66	32,568 59	30,328 56	20,531 34	62,938 49
Miscellaneous.....	7,323 57	10,723 63	2,442 35	.....	2,173 67
Gr's income.....	\$877,408 86	\$1,083,338 47	\$1,241,856 71	\$1,361,566 47	\$1,301,536 67
Oper'g exp's.....	390,936 81	554,507 12	733,628 92	829,276 25	847,594 10
	\$486,467 05	\$528,821 35	\$508,227 79	\$532,289 52	\$453,942 57

From which were disbursed the following, viz.:

Interest on bonds.....	\$96,601 66	\$93,380 00	\$112,169 75	\$112,164 50	\$123,151 88
Interest and exchange.....				1,575 30	39,127 06
Taxes.....	20,698 46	30,699 17	53,356 14	95,016 05	68,920 56
Insurance, &c.....		2,480 82	4,074 00	4,590 00	2,194 65
Ordin'y disbursements.....	\$114,226 12	126,509 99	\$174,599 89	\$212,846 35	\$233,394 15
Extra'y disbursements.....	1,358 50	21,553 73	51,242 07	.....	65,730 09
Total p'd from earnings.....	\$115,653 62	148,063 71	\$225,841 96	\$212,846 35	\$299,114 15
Dividend fund.....	\$270,513 43	330,767 64	\$277,335 83	\$318,943 17	\$154,828 42
Dividend and tax.....	222,247 42	239,963 91	257,594 72	270,000 00	297,329 00

The financial condition of the company as exhibited on their balance sheet at the end of each year, (31st March,) is shown in the following statement:

	1863.	1864.	1865.	1866.	1867.
Capital stock.....	\$2,155,800 00	\$2,500,000 00	\$3,000,000 00	\$3,000,000 00	\$3,260,800 00
1st mort. bonds.....	384,000 00	384,000 00	379,000 00	379,000 00	9,000 00
2d ".....	950,000 00	1,250,000 00	1,250,000 00	1,250,000 00	1,250,000 00
3d ".....					500,000 00
Div. fund, surplus.....	243,723 75	384,517 48	498,183 59	547,076 76	404,577 18
Current accounts.....	254,668 89	477,747 53	430,350 31	437,000 05	243,435 44
Bills payable.....			44,412 07	383,000 00	529,724 93
Total.....	3,988,192 64	4,996,265 01	5,601,795 97	5,996,076 61	6,197,537 55

Against which are charged as follows, viz.:

Construction.....	\$2,643,206 38	\$3,364,049 42	\$3,897,229 06	\$3,920,736 12	\$3,930,423 36
Equipment.....	481,082 79	499,086 19	593,309 18	326,107 09	991,186 26
Real estate.....	285,581 54	303,359 98	344,551 10	338,123 60	343,883 09
Wood & materials.....	48,150 42	167,966 56	272,889 58	238,177 24	233,946 52
Wood lands.....		17,659 22	24,245 56	16,245 56	12,540 00
Bills receivable.....	44,601 14	112,348 33	17,847 33	24,152 24	21,626 70
Stocks and bonds.....	91,947 26	138,147 26	203,089 65	234,417 33	149,333 93
Accounts current.....	78,950 58	139,304 62	153,705 32	78,930 19	77,046 12
Dayton & Mich. R.R.....			36,009 16	171,845 57	323,117 96
Cash & cash assets.....	311,582 53	253,243 33	90,034 84	97,344 97	112,354 61
Total.....	\$3,988,192 64	4,996,265 01	5,601,795 97	5,996,076 61	6,197,537 55

The actual nett earnings of this company in 1866-67 amounted to \$220,548 42, but from this was paid \$65,720 00 (discount on bonds issued) which left for dividends \$154,828 42. The dividends paid with tax thereon amounted to \$297,328 00, the difference (\$142,499 58) having been taken from accumulated earnings. It is evident from this that the road earnings were not sufficient to pay more than half the amount thus disbursed. The deficit in nett earnings is due, perhaps, to temporary causes, chief among which is the loss of freight from short crops, but also the increased rate of wages paid to employees. These difficulties time will remedy. But is it politic to pay dividends under such circumstances, and especially while increasing both the stock and bond accounts in the interest of connecting roads, which, at least for many years, will not return one half the interest on the outlay. We allude to the Atlantic and Great Western Railroad, and the leased roads with which this once flourishing company have become saddled. The large floating debt of the company is to be paid off by an issue of ten years 8 per cent. bonds.

## MICHIGAN CENTRAL RAILROAD.

The fiscal year of this company ends May 31. The results of operations for the past five years read as follows :

	1862-63.	1863-64.	1864-65.	1865-66.	1866-67.
Passengers.....	\$889,882	\$1,262,415	\$1,771,814	\$2,061,535	\$1,594,226
(Av. p. pass. p. m. cents.).....	2.49	2.41½	2.59	2.72	2.69
Freight.....	1,963,767	2,073,214	2,233,529	2,208,592	2,263,522
(Av. p. ton p. m.) cents.....	1.99	2.35	3.06	2.60	2.49
Miscellaneous.....	73,121	98,359	140,076	176,563	215,713
Total gross earnings.....	\$2,946,560	\$3,434,548	\$4,145,419	\$4,446,490	\$4,073,461
Expenses.....	1,272,360	1,730,125	2,406,149	2,806,376	2,292,777
Net earnings.....	\$1,674,200	\$1,714,423	\$1,739,270	\$1,639,114	\$1,498,715
per cent.....	56.82	49.92	41.96	36.64	34.64

The general income account, varying somewhat from the above figures, exhibits the total revenue and disbursements as in the following statement :

	1862-63.	1863-64.	1864-65.	1865-66.	1866-67.
Balance from previous years.....	\$312,194	\$772,636	\$1,002,894	\$703,385	\$460,803
Receipts from earnings.....	2,947,917	3,417,186	4,121,213	4,415,379	4,332,705
Total revenue.....	3,260,111	4,189,822	5,124,107	5,159,664	4,793,507

From which amounts were disbursed as follows, viz.

	1863.	1864.	1865.	1866.	1867.
Expenses.....	\$1,372,860	\$1,720,125	\$2,406,149	\$2,806,376	\$2,292,777
Sinking fund.....	84,500	84,500	84,500	84,500	84,500
Interest and exchange.....	617,667	600,317	622,601	642,726	628,061
Cash dividends—July.....	(3) 181,718	(6) 262,423	(13) 757,899	(4) 259,648	(5) 249,125
—January.....	(5) 302,860	(6) 262,423	(6) 278,942	(5) 341,085	(5) 275,125
Stock dividend, July, 1865.....				(6) 389,473	
U. S. tax on dividends.....		21,753	60,955	55,723	26,926
on receipts.....	23,835	32,469	95,260	113,381	60,503
Total disbursements.....	\$3,487,475	\$3,186,923	\$4,415,722	\$4,606,861	\$4,351,057
Balance to next year.....	\$772,636	\$1,002,894	\$703,385	\$460,803	\$442,450

The general balances are shown in the following accounts, as of May 31, yearly :

	1863.	1864.	1865.	1866.	1867.
Capital stock.....	\$6,067,496	\$6,315,906	\$6,491,326	\$6,962,565	\$8,070,066
Bonds.....	7,999,489	7,740,669	7,565,469	7,463,469	7,263,969
U. S. tax on coup.....	4,966	5,435	168	58	4
Unpaid dividends.....	487	1,598	660	1,059	965
Jack'n, Lane'g & Saginaw R.R. Co. ....					233,469
Bills & sundries.....			15,492	279,915	
Balance of income.....	772,636	1,002,894	703,385	460,803	442,450
Total.....	\$14,834,955	\$15,066,822	\$14,731,570	\$15,183,190	\$16,017,542

Per contra the following are shown :

Construction, &c.....	\$13,805,576	\$13,805,576	\$13,805,576	\$14,316,422	\$14,980,814
Materials.....	.....	.....	174,096	238,065	309,887
Cash loans, &c.....	654,725	807,841	234,606	75,750	323,660
Jol. & N. Ind. R.R.....	163,225	163,225	163,225	163,225	163,225
Jacks'n, Lans'g & Bag'w bond ac't	.....	.....	.....	.....	8,065
Land accounts.....	.....	.....	214,173	125,911	123,036
As'ts in off's h'ds.....	163,310	75,732	137,069	145,787	152,110
Bills & accounts.....	33,113	209,444	39,596	63,078	92,753
Total.....	\$14,534,955	\$15,066,323	\$14,781,570	\$15,188,190	\$16,017,543

#### THROUGH FREIGHT LINES.

That success should attend the establishment of great lines of transportation managed by a central directory could never be doubtful. That they have become a success, the semi-annual circular report of the business and earnings of the "Blue Line," which commenced business January 1, 1867 proves beyond cavil. This shows the following facts :

Freight moved East.....	40,050.94 tons.	Net earnings.....	\$701,064 81
" " West.....	24,921.26 tons.	" " .....	491,698 44
Total.....	66,332.20 tons.	Total net earnings.....	\$1,192,753 25

The number of miles run was 8,800,856, and the number of tons carried one mile, 62,534,422, at an average rate of 1.92 cents per ton per mile. Proportion of freight East, 61.46, and West, 38.54 per cent.

The division of earnings was made as follows :

Hudson River railroad.....	80,828 11	Michigan Central railroad.....	\$305,616 47
New York Central railroad.....	333,930 05	Chicago, Burlington and Quincy rail-	.....
Great Western (Can.) railroad.....	239,317 39	road.....	4,129 89
Boston and Worcester Western	.....	Chicago and Alton railroad.....	30,300 01
Railroad and others east of Al-	.....	Illinois Central railroad.....	1,706 04
bany.....	\$106,925 29		
Total amount distributed.....			\$1,192,753 25

The number of regular "blue cars" now in the line is 402. The approaching fall and winter business, it is estimated, will require 1,500 to 2,000 cars for its accommodation.

#### COMMERCIAL CHRONICLE AND REVIEW.

Rates of Loans—Prices of Railroad Stocks—Stock Exchange—Prices of Governments—Course of Consols and American Securities at London—Import and Export of Coin and Bullion—Movement of Coin and Bullion—Course of Gold at New York—Course of Foreign Exchange at New York.

Business during July was characterised by the dulness which ordinarily prevails during that month. The most notable feature in trading circles was a decided improvement in confidence, inspired by the splendid crop prospects throughout the country, which, thus far have not been doomed to disappointment through the occurrence of unfavorable weather. This revival of hope, however, has not been attended with any exaggerated preparations for the fall trade. Merchants



appear to be governed by a strictly conservative feeling, and deem it prudent to wait for the demand rather than anticipate it. Manufacturers have probably made ample preparation for the Fall trade; and, apparently apprehending that there is danger of the markets being overstocked, some have curtailed their production during the latter half of the month. The jobbing trade has been cautious rather than sanguine; less, however, from any doubts of their being an active demand for goods than from a supposition that the markets may be over-supplied.

As the natural consequence of the general quiet in trade, money has been very abundant, and speculation in Wall street active. The banks have had large idle balances, and the rate of interest on demand loans has ranged at 4@5 per cent., and during the last week of the month balances were loaned at 3 per cent.

The following are the rates of loans and discounts for the month of July :

RATES OF LOANS AND DISCOUNTS.

	July 5.	July 12.	July 19.	July 26.
Call loans .....	4 @ 6	4 @ 5	4 @ 5	4 @ 5
Loans on Bonds and Mortgage.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
Good endorsed bills, 3 & 4 mos.....	7 @ 8	7 @ 8	7 @ 8	7 @ 8
“ “ single names.....	9 @ 10	9 @ 10	9 @ 10	9 @ 10
Lower grades .....	11 @ 15	11 @ 15	11 @ 15	11 @ 15

A protracted depression in railroad stocks succeeded by the prospects of unusually large grain freights, had prepared the market for a brisk upward movement, and the dealers entered upon the “summer campaign” with an unusual unanimity of view as to the upward tendency of values, and the result has been a much more rapid advance than was realised within the same period last year. The following comparison shows the prices of stocks at the close of July, 1866 and 1867 :

	July 26, 1866.	July 26, 1867.		July 26, 1866.	July 26, 1867.
N. Y. Central.....	104½	108½	Cincinnati & Pittsburg.....	84½	85½
Erie.....	64½	76½	North Western.....	85½	80½
Hudson River.....	190	190½	“ “ pref.....	64½	71½
Reading.....	111½	107½	Rock Island.....	99½	103½
Michigan Southern.....	83½	81½	Fort Wayne.....	101½	106½

The aggregate transactions in stocks at both boards during the month were 2,240,991 shares, against 1,577,646 shares in July last year. The total sales from January 1 to the close of July are 13,580,850, which is about 10,000 shares less than for the same period last year.

The following table shows the volume of shares sold at the New York Stock Exchange and the open Board of Brokers in the two first quarters and the first half of the current year, in the month of July and since January 1 :

VOLUME OF SHARES SOLD AT THE STOCK BOARDS, JULY, 1867.

	1st Quarter.	2d Quarter.	Half year.	July.	Since Jan. 1.
Bank shares.....	7,815	11,153	18,968	4,784	23,752
Railroad “.....	5,078,773	4,910,358	9,990,136	1,888,134	11,878,280
Coal “.....	67,800	25,405	93,205	81,663	124,768
Mining “.....	123,857	91,188	215,045	63,110	278,155
Improv’t “.....	81,369	103,435	184,704	47,585	232,289
Telegraph “.....	117,973	153,118	271,091	109,630	380,721
Steamship “.....	228,683	215,873	444,556	58,138	502,694
Expr’s &c “.....	17,674	104,480	122,154	38,067	160,221
At New York Stock Ex.....	2,073,406	2,074,351	4,147,757	900,241	5,048,998
At Open B’d.....	3,653,443	3,540,659	7,194,102	1,340,750	8,533,853
Total 1867.....	5,726,849	5,615,010	11,339,859	2,240,991	13,580,850
Total 1866.....	6,172,087	5,842,110	12,014,197	1,577,646	13,591,843

United States Securities were very firm and active throughout the month. The low rate of money has caused a steady home demand for investment; while the extreme ease in the London money market has encouraged a partial movement for shipment. The price of Five-twenties at London has varied but little, and as gold has risen over two points, bonds on this side have correspondingly advanced. Toward the close of the month the advance in prices appeared to have increased the number of sellers, and prices fell off from the previous high figures. The amount of Government bonds and notes, State and city bonds, and company bonds, sold at the New York Stock Exchange Board in the two first quarters and the first half of the current year, in the month of July and since January 1, is given in the statement which follows :

## BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

	1st quarter.	2d quarter.	Half-year.	July.	S'ce Jan. 1.
U. S. bonds.....	\$18,702,650	\$40,338,350	\$59,041,000	\$10,171,900	\$69,223,900
U. S. notes.....	4,792,480	3,377,600	8,140,080	4,170,800	12,110,680
St'e & city b'ds.....	8,854,100	7,801,650	16,485,750	3,682,000	20,168,750
Company b'ds.....	2,216,300	2,367,700	4,533,900	615,000	5,198,900
Total 1867.....	\$34,565,430	\$53,708,300	\$88,300,730	\$18,640,500	\$108,941,230
Total 1868.....	\$2,800,540	\$6,414,350	\$3,014,960	14,765,500	\$8,730,360

The great increase in the sale of bonds has taken place since the establishment of the Government Department of the Stock Exchange Board of Brokers.

The daily closing prices of the principal government securities are shown in the following statement :

## PRICES OF GOVERNMENT SECURITIES AT NEW YORK, JULY, 1867.

Day of month.	6's, 1881.	Coup. Reg. 1862.	6's, (5-20 yrs.)	Coupon new, 1867.	5's, 10-40 yrs.	7-30s C'pn. 1867.
Monday 1.....	109%	109	110%	107%	100%	106%
Tuesday 2.....	109%	109	110%	107%	100%	106%
Wednesday 3.....	109%	109%	110%	107%	100%	106%
Thursday 4.....			(National Holiday)			
Friday 5.....	109%	111%	108%	108%	107%	107%
Saturday 6.....		111%	108%	108%		107%
Sunday 7.....						
Monday 8.....	109%	109%	111%	109%	107%	107%
Tuesday 9.....	110%	110	111%	109%	108%	108%
Wednesday 10.....	110%	110%	111%	109%	108%	108%
Thursday 11.....	110%	111%	109%	109%	108%	108%
Friday 12.....	110%	110%	111%	109%	108%	108%
Saturday 13.....		111%	109%	108%	108%	108%
Sunday 14.....						
Monday 15.....	110%	111%	109%	108%	108%	108%
Tuesday 16.....				109	108	108%
Wednesday 17.....	110	111%	109%	107%	108	101%
Thursday 18.....	110%	111%	108%	107%	108	107%
Friday 19.....		110%	109%	108%	108	108%
Saturday 20.....				108%	108%	107%
Sunday 21.....						
Monday 22.....	110%	110%	111%	109%	108%	107%
Tuesday 23.....	110%	110%	109%	109%	108%	108%
Wednesday 24.....	110%	110%	111%	109%	108%	108%
Thursday 25.....	110%	111%	109%	108%	108%	108%
Friday 26.....		111%	109%	108%	108%	107%
Saturday 27.....		111%	109%	108%	108%	108%
Sunday 28.....						
Monday 29.....	110%	110	111%	109%	108%	107%
Tuesday 30.....		111%	109%	109%	108%	108%
Wednesday 31.....	110%	110%	111%	109%	108%	108%
First.....	109%	109	110%	107%	106%	106%
Lowest.....	109%	109	110%	107%	106%	106%
Highest.....	110%	110%	112%	109%	108%	108%
Range.....	1%	1%	2%	2%	2%	2%
Latest.....	110	110	111	109	108	108

The quotations for three years compound interest notes on each Thursday of the month have been as shown in the following statement :

PRICES OF COMPOUND INTEREST NOTES AT NEW YORK, JULY, 1867.

Issue of	July 3.	July 11.	July 18.	July 25.	August 1.
July, 1864.....	119 1/2 @ 119 1/2	119 1/2 @ 119 1/2	119 1/2 @ 119 1/2	119 1/2 @ 119 1/2	119 1/2 @ 119 1/2
August, 1864.....	118 1/2 @ 118 1/2	118 1/2 @ 118 1/2	118 1/2 @ 118 1/2	118 1/2 @ 118 1/2	118 1/2 @ 118 1/2
October, 1864.....	117 1/2 @ 117 1/2	117 1/2 @ 117 1/2	117 1/2 @ 117 1/2	117 1/2 @ 117 1/2	117 1/2 @ 117 1/2
December, '64.....	117 1/2 @ 117 1/2	117 1/2 @ 117 1/2	117 1/2 @ 117 1/2	117 1/2 @ 117 1/2	117 1/2 @ 117 1/2
May, 1865.....	116 1/2 @ 116 1/2	116 1/2 @ 116 1/2	116 1/2 @ 116 1/2	116 1/2 @ 116 1/2	116 1/2 @ 116 1/2
August, 1865.....	115 1/2 @ 115 1/2	115 1/2 @ 115 1/2	115 1/2 @ 115 1/2	115 1/2 @ 115 1/2	115 1/2 @ 115 1/2
September, '65.....	115 1/2 @ 115 1/2	115 1/2 @ 115 1/2	115 1/2 @ 115 1/2	115 1/2 @ 115 1/2	115 1/2 @ 115 1/2
October, 1865.....	114 1/2 @ 114 1/2	114 1/2 @ 114 1/2	114 1/2 @ 114 1/2	114 1/2 @ 114 1/2	114 1/2 @ 114 1/2

The first series of figures represents the buying and the last the selling price, at first class brokers' offices.

The following are the closing quotations at the regular board on Friday of each of the last seven weeks.

	June 14.	June 21.	June 28.	July 5.	July 12.	July 19.	July 26.
Cumberland Coal.....	80 1/2	80 1/2	83 1/2	83 1/2	80 1/2	82 1/2	82 1/2
Quicksilver.....	28	27 1/2	81 1/2	82	83 1/2	82 1/2	84 1/2
Canton Co.....	.....	.....	47	.....	4 1/2	48 1/2	52 1/2
Mariposa pref.....	90	19 1/2	21 1/2	24 1/2	23 1/2	22 1/2	.....
New York Central.....	101 1/2	102 1/2	104 1/2	105 1/2	105 1/2	106 1/2	109 1/2
Erie.....	60 1/2	59 1/2	66 1/2	68 1/2	70 1/2	71 1/2	74 1/2
Hudson River.....	108 1/2	108 1/2	108 1/2	108 1/2	110	109 1/2	111 1/2
Reading.....	106 1/2	107 1/2	109 1/2	110	108 1/2	104 1/2	107 1/2
Michigan Southern.....	68 1/2	70 1/2	78 1/2	81 1/2	79 1/2	79 1/2	83 1/2
Michigan Central.....	118	x.d.107	110 1/2	.....	110	110	112 1/2
Cleveland and Pittsburg.....	76 1/2	77 1/2	84 1/2	86 1/2	91 1/2	91 1/2	91 1/2
Cleveland and Toledo.....	118	120 1/2	120	121 1/2	119 1/2	121	124 1/2
Northwestern.....	34 1/2	35 1/2	42 1/2	45 1/2	44 1/2	44 1/2	48 1/2
..... preferred.....	59 1/2	59 1/2	65 1/2	67 1/2	68	70 1/2	72 1/2
Rock Island.....	89 1/2	90 1/2	95 1/2	97 1/2	97	99 1/2	104
Fort Wayne.....	97 1/2	98	108 1/2	100 1/2	101 1/2	101 1/2	166 1/2
Illinois Central.....	.....	120 1/2	121 1/2	122	.....	.....	119

The closing prices of Consols and certain American securities (viz. U. S. 6's 1862, Illinois Central and Erie shares and Atlantic and Great Western consolidated bonds) at London, on each day of the month of July, are shown in the following statement :

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—JULY, 1867.

Date.	Cons for mon.	U. S. 5-20s	Ill. C. sh's.	American securities sh's.	Erie A. & G. W.	Date.	Cons for mon.	U. S. 5-20s	Ill. C. sh's.	American securities sh's.	Erie A. & G. W.
Monday 1.....	94 1/2	73 1/2	79 1/2	43 1/2	25	Sat'day 30.....	.....	(Holiday)	.....	.....	.....
Tues. 2.....	94 1/2	73 1/2	79 1/2	43 1/2	.....	Sunday 31.....	.....	.....	.....	.....	.....
Wedne. 3.....	94 1/2	73 1/2	79 1/2	43 1/2	.....	Monday 23.....	94 1/2	73 1/2	78 1/2	46 1/2	22 1/2
Thurs. 4.....	94 1/2	73 1/2	79 1/2	44 1/2	.....	Tues. 23.....	94 1/2	73 1/2	78 1/2	47	24
Friday 5.....	94 1/2	73 1/2	79 1/2	44	.....	Wedne. 24.....	94 1/2	73 1/2	78 1/2	48 1/2	23 1/2
Sat'day 6.....	94 1/2	73	79 1/2	43 1/2	.....	Thurs. 25.....	94 1/2	73 1/2	78 1/2	47 1/2	23
Sunday 7.....	.....	.....	.....	.....	.....	Friday 26.....	94	73 1/2	78 1/2	47 1/2	23
Monday 8.....	94 1/2	73	79 1/2	44 1/2	.....	Sat'day 27.....	93 1/2	73 1/2	78 1/2	47 1/2	23
Tues. 9.....	94 1/2	73 1/2	79 1/2	43 1/2	.....	Sunday 28.....	.....	.....	.....	.....	.....
Wedne. 10.....	94 1/2	73 1/2	80 1/2	44 1/2	.....	Monday 29.....	94	73 1/2	78 1/2	48 1/2	23 1/2
Thurs. 11.....	94 1/2	73 1/2	80 1/2	45 1/2	.....	Tues. 30.....	94	73 1/2	78 1/2	48 1/2	23 1/2
Friday 12.....	94 1/2	73 1/2	80 1/2	45 1/2	.....	Wed. 31.....	94	73 1/2	77	48 1/2	23
Sat'day 13.....	94 1/2	73 1/2	80 1/2	45 1/2	24	Highest.....	94 1/2	73 1/2	80 1/2	48 1/2	25
Sunday 14.....	.....	.....	.....	.....	.....	Lowest.....	93 1/2	73 1/2	78 1/2	43 1/2	23
Monday 15.....	94 1/2	73	80 1/2	47	23 1/2	Range.....	1	1/2	4	5 1/2	3
Tues. 16.....	94 1/2	73 1/2	80 1/2	46 1/2	23 1/2	Lo.....	90	67 1/2	73 1/2	35 1/2	23
Wedne. 17.....	94 1/2	73 1/2	80 1/2	46 1/2	23 1/2	Hi.....	96	75 1/2	83 1/2	46 1/2	25
Thurs. 18.....	94 1/2	73 1/2	80 1/2	46 1/2	23 1/2	Ra.....	6	7 1/2	10	10 1/2	4
Friday 19.....	94 1/2	73 1/2	80 1/2	46 1/2	23 1/2	Since Jan. 1.....	.....	.....	.....	.....	.....

The lowest and highest quotations for U. S. 6's (5-20 years) of 1862 at Frankfurt in the weeks ending Thursday have been as follows :

July 4.	July 11.	July 18.	July 25.	Aug. 1.
77 1/2 @ 77 1/2	77 1/2 @ 77 1/2	77 1/2 @ 77 1/2	76 1/2 @ 77 1/2	76 1/2 @ 76 1/2

The import and export of coin and bullion at the port of New York in the two first quarters and the first half of the current year, and in the month of July, and the total since January 1, have been as shown in the following statement :

## IMPORT AND EXPORT OF COIN AND BULLION.

	First Quarter.	Second quarter.	Half year.	Month of July.	Since Jan. 1.
Receipts from California.....	\$4,109,861	\$6,899,525	\$18,009,416	\$2,662,189	\$16,671,555
Import from foreign ports .....	409,077	1,147,619	1,556,696	64,391	1,631,087
Total receipts.....	\$6,518,938	\$8,047,174	\$14,566,112	\$2,726,580	\$17,292,642
Export to foreign ports.....	6,566,968	18,028,709	24,596,687	10,578,494	35,174,091
Excess of exports.....	\$48,030	\$9,981,535	\$10,029,555	\$7,851,904	\$17,881,449

The following statement shows the amount of receipts and exports in July and since January 1, for the last seven years :

	California Receipts—		Foreign Imports—		Foreign Exports—	
	July.	Since Jan. 1.	July.	Since Jan. 1.	July.	Since Jan. 1.
1867 .....	\$2,662,189	\$15,671,555	\$64,491	\$1,631,087	\$10,578,494	\$25,174,091
1866 .....	6,754,669	32,176,014	345,961	1,506,147	5,831,459	51,608,589
1865 .....	1,092,805	10,035,197	258,640	1,319,163	723,986	18,608,745
1864 .....	711,645	6,534,316	128,053	1,555,086	1,947,329	31,099,450
1863 .....	726,077	8,022,940	182,345	1,028,018	5,368,881	25,900,850
1862 .....	1,961,468	18,943,585	29,001	780,556	2,669,377	36,084,688
1861 .....	2,055,368	21,176,405	6,996,498	22,906,166	11,030	3,200,468

The course of the gold premium has been steadily upward, the price having advanced from 138 to 140½. The remittances of specie for the settlement of bankers' credits and on account of Erie and Illinois Central stock returned, as well as for United States coupons due July 1st, have been quite considerable, the total exports from New York for the month being \$14,301,702. The exports and receipts from customs duties together amount to \$24,096,106; while the receipts from California, from abroad, and from the payment of coin interest aggregate \$14,032,901. It thus appears that the withdrawals from the market for the month exceed the receipts by \$10,063,205; yet, at the close of the month, the amount of specie in the banks was \$969,098 more than at the beginning; showing that \$11,032,303 of gold was drawn from outside sources, a large proportion having doubtless been drawn from Washington, Philadelphia and Boston, being the proceeds of July coupons paid in those cities. From the statement below it will be seen that the withdrawals for the first seven months of the year exceed the supply from California and interest disbursements by \$47,370,818. This large deficiency has been made up chiefly from sales by the Treasury, overland receipts from the mines, and coupon disbursements by the Treasury at other cities forwarded here for sale. The following formula shows the details of the movement in the first two quarters and first half of the current year and in July, with the total movement since Jan. 1 :

## GENERAL MOVEMENT OF COIN AND BULLION.

	1st quarter.	2d quarter.	Half year.	July.	Since Jan. 1.
In banks at commen't.....	\$13,185,222	\$8,522,009	\$13,185,222	\$7,768,996	\$18,185,222
Rec's from California.....	6,109,861	6,899,525	12,009,416	2,662,189	11,671,555
Imp's from foreign coun'ts.....	409,077	1,147,619	1,556,696	64,391	1,631,087
Coin interest paid by U. States.....	10,588,303	17,793,025	28,631,328	16,306,571	29,987,689
Total repo'd sup'y.....	\$30,542,463	\$34,662,808	\$65,882,669	\$21,801,897	\$70,415,568
Exp. to for'n coun'ts.....	\$6,566,968	\$18,028,709	\$24,596,687	\$14,301,702	\$38,997,869
Customs duties.....	33,170,628	27,185,886	60,356,514	9,794,404	70,150,918
Total withdrawn.....	\$39,737,586	\$45,214,595	\$84,953,181	\$24,096,106	109,048,287
Excess of withdraw'ls.....	\$9,195,123	\$10,851,787	\$28,569,519	\$2,294,209	\$38,632,724
Specie in b'ks at close.....	8,522,009	7,768,996	7,768,996	8,768,094	8,768,094
Deficit made up from unreported sources.....	\$17,717,722	\$18,630,788	\$36,338,515	\$11,032,303	\$47,370,818

The statement which follows shows the daily fluctuations in the price of American gold coin, as quoted at the Gold Room during the month of July :

## COURSE OF GOLD AT NEW YORK, JULY, 1867.

Date.	Open'g	Lowest	Highest	Closing	Date.	Open'g	Lowest	Highest	Closing
Monday.....1.....	138½	138	138½	138½	Sunday.....31.....	140	139½	140	139½
Tuesday.....2.....	138½	138	138½	138½	Monday.....22.....	140	139½	140	139½
Wednesday.....3.....	138½	138½	138½	138½	Tuesday.....23.....	140	139½	140	139½
Thursday.....4.....	(Holiday.)				Wednesday.....24.....	139½	139½	139½	139½
Friday.....5.....	138½	138½	138½	138½	Thursday.....25.....	139½	139½	139½	139½
Saturday.....6.....	138½	138½	138½	138½	Friday.....26.....	139½	139½	139½	139½
Sunday.....7.....					Saturday.....27.....	139½	139½	140	140
Monday.....8.....	139	138½	139	138½	Sunday.....28.....				
Tuesday.....9.....	138½	138½	138½	138½	Monday.....29.....	140	140	140	140
Wednesday.....10.....	138½	138½	138½	138½	Tuesday.....30.....	140	140	140	140
Thursday.....11.....	138½	138½	138½	138½	Wednesday.....31.....	140	139½	140	140
Friday.....12.....	139½	139	139½	139½					
Saturday.....13.....	139½	139	139½	139½	June, 1867.....	139½	138	140	140
Sunday.....14.....					" 1866.....	154½	147	155½	149
Monday.....15.....	139½	139½	139½	139½	" 1865.....	41	138½	146½	144
Tuesday.....16.....	139½	139½	140	140	" 1864.....	222	222	225	225
Wednesday.....17.....	140½	139½	140½	139½	" 1863.....	144½	123½	145	122½
Thursday.....18.....	139½	139½	139½	139½	" 1862.....	109	108½	120½	115
Friday.....19.....	139½	139½	140	139½					
Saturday.....20.....	139½	139½	139½	139½	Since Jan. 1, 1867.....	132½	133½	141½	140

Foreign exchanges have ruled firm at the specie shipping point throughout the month. The supply of commercial bills has been very light; a moderate amount of acceptances has been drawn against shipments of Five-twenties; but there has been a large deficiency, which has had to be made up by the shipment of specie. After midsummer the foreign bankers usually settle their European credits; but, although the remittances for that purpose have been large, an impression prevails that, owing to the very low rates of interest at London, a considerable amount of balances has been allowed to remain unsettled.

The following table shows the course of foreign exchange daily for the month :

## COURSE OF FOREIGN EXCHANGE (60 DAYS)—AT NEW YORK.

Days.	London. cents for £4 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. M. banco.	Berlin. cents for thaler.
1.....	109½ @ 110½	517½ @ 518½	40½ @ 41½	78½ @ 79½	86 @ 86½	72 @ 72½
2.....	109½ @ 110½	517½ @ 518½	40½ @ 41½	78½ @ 79½	86 @ 86½	72 @ 72½
3.....	109½ @ 110½	516½ @ 518½	40½ @ 41½	78 @ 78½	86 @ 86½	71½ @ 72½
4.....		(Independence Day—National Holiday.)				
5.....	110 @ 110½	518½ @ 519½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
6.....	110 @ 110½	518½ @ 519½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
7.....						
8.....	110 @ 110½	518½ @ 519½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
9.....	110 @ 110½	518½ @ 519½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
10.....	110 @ 110½	518½ @ 519½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
11.....	110 @ 110½	516½ @ 519½	40½ @ 41½	78½ @ 79	86½ @ 86½	71½ @ 72
12.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
13.....	110½ @ 110½	516½ @ 512½	40½ @ 41½	78½ @ 79	86½ @ 86½	71½ @ 72
14.....						
15.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
16.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
17.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
18.....	110 @ 110½	516½ @ 519½	40½ @ 41½	78½ @ 79½	86½ @ 86½	71½ @ 72½
19.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
20.....	110 @ 110½	516½ @ 512½	40½ @ 41½	78½ @ 79	86 @ 86½	71½ @ 72½
21.....						
22.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
23.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
24.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
25.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
26.....	110½ @ 110½	512½ @ 511½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
27.....	110½ @ 110½	513½ @ 512½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
28.....						
29.....	109½ @ 110	515 @ 512½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
30.....	110 @ 110½	518½ @ 512½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
31.....	110 @ 110½	518½ @ 512½	41½ @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½

Days	London.	Paris.	Amsterdam.	Bremen.	Hamburg.	Berlin.
July.....	109% @ 110%	517% @ 511%	40% @ 41%	78 @ 78%	80 @ 80%	71% @ 72%
June.....	109% @ 110%	518% @ 511%	40% @ 41%	78% @ 78%	80 @ 80%	72 @ 72%
May.....	109% @ 110%	520 @ 510	40% @ 41%	78% @ 80	80 @ 80%	71% @ 72%
Apr.....	108% @ 10 %	523% @ 513%	40% @ 41%	78% @ 78%	80% @ 80%	71% @ 72%
Mar.....	108 @ 109%	525 @ 515	40% @ 41%	78 @ 78%	80% @ 80%	71% @ 72%
Feb.....	108% @ 109	523% @ 515	40% @ 41%	78% @ 78%	80 @ 80%	71% @ 72%
Jan.....	108% @ 109%	520 @ 513%	41% @ 41%	78% @ 78%	80% @ 80%	72 @ 72%
Since Jan. 1.....	108 @ 110%	525 @ 510	40% @ 41%	78 @ 80	85% @ 80%	71% @ 72%

## JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Quarterly Report of the New York City National Banks—Quarterly Report of the National Banks of Boston and Philadelphia—Monthly Range of sales of Bank Stocks—New York, Philadelphia and Boston Bank Returns.

The Comptroller of the Currency, Mr. Hulburd, has prepared with unusual promptitude the following abstract of quarterly reports of the National banking associations of the cities of New York, Philadelphia and Boston, showing their condition on the morning of the first Monday in July, 1867, before the commencement of business on that day. We add for comparison previous returns issued this year :

### QUARTERLY REPORTS OF THE NEW YORK CITY NATIONAL BANKS.

#### Resources.

	January.	April.	July.
Loans and discounts.....	\$157,967,394 27	\$153,663,769 78	\$147,467,391 66
Overdrafts.....			123,567 82
Banking house .....	5,636,896 76	5,719,027 50	5,080,915 68
Other real estate.....			338,992 37
Furniture and fixtures.....			292,229 08
Current expenses.....	431,050 92	1,674,995 66	333,237 49
Premiums.....	637,324 70	941,100 96	1,173,142 56
Cash items (including revenue stamps).....	73,758,830 91	69,414,067 77	9,973,333 50
Exchanges for Clearing House & A. M. ....			94,373,588 73
Due from National banks.....	9,583,978 64	7,947,334 06	9,340,153 34
Due from other banks and bankers.....	4,136 978 64	2,689,888 83	2,359,935 04
U. S. bonds to secure circulat'n.....	42,487,800 00	42,461,800 00	42,487,800 00
Other U. S. Securities to secure deposits.....	5,170,800 00	4,800,900 00	4,669,000 00
U. S. bonds and securities on hand.....	15,781,350 00	15,123,950 00	15,092,000 00
Other stocks, bonds & mortg's.....	4,534,610 36	6,260,118 78	6,230,048 21
Bills of National banks.....	2,228,668 00	1,439,115 00	3,070,538 00
Bills of other banks.....	69,488 00	69,699 00	45,768 00
Specie .....	10,547,117 80	5,718,723 60	6,034,366 43
Fractional currency.....			311,087 32
Legal tender notes.....	41,402,117 59	34,700,372 21	43,173,963 56
Compound interest notes.....	22,765,940 00	25,939,480 00	24,240,100 00
Aggregate.....	\$402,149,036 43	\$337,790,364 23	\$416,871,536 84

#### Liabilities.

Capital stock paid in.....	\$75,009,700 00	\$75,009,700 00	\$75,009,700 00
Surplus fund.....	17,573,506 57	17,301,440 98	17,796,331 93
National circulat'n outstanding.....	34,257,816 00	34,973,371 10	34,776,130 00
State bank notes outstanding.....	406,037 00	379,353 00	330,565 00
Individual deposits.....	201,963,194 18	175,423,039 91	216,135,740 21
United States deposits.....	2,319,414 34	2,789,305 15	3,008,080 33
Deposits of U. S. Disbursing Offices.....	4,884 47	996 70	996 70
Cashiers checks outstanding.....			1,477,322 52
Due to National Banks.....	53,463,859 23	51,841,539 80	49,704,963 26
Due to other banks and bankers.....	13,373,808 39	13,506,466 93	12,394,349 49
Profit and loss.....	4,870,196 27	7,491,207 48	6,261,765 10
Aggregate.....	\$402,149,036 43	\$377,790,364 23	\$416,871,536 84

## QUARTERLY REPORTS OF THE NATIONAL BANKS OF BOSTON AND PHILADELPHIA.

*Resources.*

	Boston.		Philadelphia.	
	April.	July.	April.	July.
Loans and discounts.....	\$ 58,811,075 24	\$ 58,197,191 40	\$ 82,215,000 01	\$ 83,905,149 14
Overdrafts.....		1,476 49		6,876 93
Banking house.....		1,365,394 51		1,065,547 64
Other real estate.....	1,420,073 61	41,075 09	1,183,073 57	101,885 43
Furniture and fixtures.....				87,873 25
Current expenses.....	31,165 78	255,395 44	435,596 13	147,617 64
Premiums.....	55,145 35	67,769 88	395,847 33	404,888 73
Cash items (including revenue stamps) ..	4,516,321 66	857,395 17	1,032,735 19	350,939 23
Exchanges for clearing house, A. M.....		4,947,090 71		5,343,305 11
Due from National banks.....	8,458,871 83	7,919,982 93	4,805,130 79	4,547,320 44
Due from other banks and bankers.....	948,084 03	141,289 43	460,494 75	467,412 33
U. S. Bonds to secure circulation.....	29,044,350 00	29,044,350 00	13,118,000 00	13,118,000 00
Other U. S. Securities to secure deposits ..	1,925,000 00	1,900,000 00	2,047,600 00	2,232,300 00
U. S. bonds and securities on hand.....	3,947,550 00	4,033,500 00	3,393,580 00	2,663,700 00
Other stocks, bonds and mortgages.....	1,084,150 00	1,149,650 00	1,057,43 24	1,447,047 81
Bills of National banks.....	1,255,611 00	2,406,604 00	422,935 00	898,398 00
Bills of other banks.....	635,344 00	3,723 00	30,384 00	16,793 00
Specie.....	454,986 53	735,378 22	792,037 43	417,109 98
Fractional currency.....		103,479 84		144,307 40
Legal tender notes.....	6,083,087 49	6,633,573 00	8,410,353 34	9,160,769 03
Compound interest notes.....	11,531,180 00	9,331,980 00	8,348,470 00	7,398,990 00
Aggregate.....	\$127,604,785 51	129,119,097 59	78,045,537 82	83,833,524 05

*Liabilities.*

	\$	\$	\$	\$
Capital stock paid in.....	43,550,000 00	42,550,000 00	16,017,150 00	16,517,150 00
Surplus Fund.....	6,849,511 10	6,896,267 37	5,175,734 01	5,339,437 83
National circulation outstanding.....	25,309,509 00	25,221,746 00	11,006,790 00	11,004,241 00
State b'k notes outstand'g.....	311,268 00	298,304 00	135,065 00	195,165 00
Individual deposits.....	39,011,735 13	37,413,277 43	35,516,937 95	41,217,662 67
United States Deposits.....	1,465,594 19	2,213,219 49	1,867,404 19	1,644,963 20
Deposits of U. S. disbursing offices.....		31 30		411,590 56
Cashiers' checks outst'd'g.....		101,799 61		
Due to National Banks.....	10,108,134 06	10,814,017 35	5,622,959 44	5,592,515 55
Due to other banks and bankers.....	1,150,696 50	1,044,135 94	974,533 83	962,411 47
Profit and loss.....	948,366 23	2,576,299 80	1,708,313 47	1,025,067 27
Aggregate.....	\$127,604,785 51	129,119,097 59	78,045,537 82	83,833,524 05

The following table shows the monthly range of sales of bank stocks at the New York Exchange Board of Brokers for the first six months of the current year:

BANKS.	January.	February.	March.	April.	May.	June.
America.....	125-135	134-134		135-135	137½-137½	115-115
Amer. Exchange.....	115-115	115-115½	115-115	116-116½	112½-118	115-115
Butchers' & Drov.....	125-125					
Central.....	103-110	109-111	110-113	109½-110½	109½-111	111-114
Chatham.....		140-140				
Commerce.....	110½-115	112-114	113-116	112-115	114-119	112½-114
Commonwealth.....	105-106	104½-106	106-108	106-106		110-112
Continental.....	100-102	101-105	103-104	102½-108	103½-104	104-106½
Corn Exchange.....			119-119	118½-119		123-123
East River.....	100-100				100-100	100-100
Fourth.....	103-103½	103½-104½	104-105½	104-105	105-107½	107-110
Hanover.....	106½-106½		110-110	113-113	115-117	118-118
Import. & Traders.....	112-113½	112-113	112-113	109½-110	110-111	111-113
Irving.....				104-104		
Leather Manufact.....					180-180	
Manhattan.....				135-135	135-135	
Market.....		135-135				
Mechanics.....	116-116	117-117		117-117	118-118	114-114
Mechan. B. Assoc.....	111-111	110-111		111-111		
Merchants' Exch.....	115-115		115-116	114½-115	116-116	114-114
Merchants' Exch.....	103-108	105½-108½			107½-107½	110-110
Metropolitan.....	123-123	123-124½	123-126	124-125	125½-125½	131-131
National (Gallatin).....	110-110	110-110			110-111	110-111
New York.....	116-116	117-118	118-118			115-115½
Ninth.....						106½-109
North America.....	106-107	105-106		105-106	105-107	

BANKS.	January.	February.	March.	April.	May.	June.
Ocean .....	102-103	101-103	101-103	101-103	101-103	102-105
Oriental .....			180-180			
Park .....				140-143	140-143	145-148
Phoenix .....	106-107	104-106	106-108		106-106	106-108
Republic .....			114-114	114-115	115-115	115-116
St. Nicholas .....				106-107		
Seventh Ward .....					110-110	110-110
Shoe and Leather .....	110-112	112-112	112-112	111-112	115-111	110-112
State of New York .....	106-108	106-107	108-109	109-110	106-111	110-114
Tradesmen's .....					145-145	143-143
Union .....	119-119	115-116		117-117	117-117	

Below we give the returns of the Banks of the three cities since Jan. 1 :

## NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5. ....	\$257,552,460	12,794,892	32,762,779	202,538,564	65,026,121	466,967,787
January 13. ....	258,935,488	14,618,477	32,525,108	202,517,608	68,246,370	605,132,006
January 19. ....	255,032,223	15,365,207	32,864,928	201,500,115	63,235,386	520,040,023
January 26. ....	251,674,801	16,014,007	32,967,198	197,952,076	63,426,559	568,822,814
February 2. ....	251,364,365	16,332,981	32,995,347	200,511,596	65,944,541	512,477,258
February 9. ....	250,268,825	16,157,257	32,777,000	198,241,835	67,638,992	508,835,523
February 16. ....	253,131,323	14,791,626	32,956,309	196,072,292	64,642,940	455,833,829
February 23. ....	257,623,994	13,513,456	33,006,141	198,430,347	63,153,895	448,574,086
March 2. ....	261,166,436	11,579,881	33,294,423	198,018,914	61,014,195	461,534,519
March 9. ....	262,111,458	10,868,182	33,409,811	200,218,537	64,523,440	544,173,256
March 16. ....	263,029,972	9,968,722	34,400,685	197,958,604	62,813,039	496,558,119
March 23. ....	259,400,315	9,143,913	33,519,401	191,375,615	60,904,958	472,023,318
March 30. ....	255,82,364	8,522,619	33,669,195	188,480,250	62,459,811	459,680,602
April 6. ....	254,470,027	8,133,813	33,774,573	188,861,369	59,021,775	531,835,184
April 13. ....	250,102,173	8,856,229	33,702,047	188,861,298	60,202,515	525,933,462
April 20. ....	247,561,731	7,622,535	33,648,571	184,090,256	64,096,916	447,814,375
April 27. ....	247,737,381	7,404,304	33,601,285	187,674,341	67,920,351	446,464,422
May 4. ....	250,371,553	9,902,177	33,571,747	196,721,072	70,587,407	509,860,118
May 11. ....	253,682,329	14,959,590	33,595,869	200,342,832	67,996,639	524,319,769
May 18. ....	257,961,874	15,567,252	33,631,301	201,436,854	68,832,501	503,675,793
May 25. ....	256,091,905	14,083,687	33,697,252	198,073,345	60,562,440	431,732,622
June 1. ....	252,791,514	14,617,070	33,747,039	199,356,143	58,459,827	442,675,585
June 8. ....	250,477,293	15,699,038	33,719,088	184,730,335	55,923,117	461,734,216
June 15. ....	246,228,465	12,656,389	33,707,199	180,317,763	57,994,294	460,968,602
June 22. ....	243,640,477	9,399,585	33,633,171	179,477,110	62,816,192	442,440,804
June 29. ....	242,547,364	7,768,996	33,542,560	186,213,257	70,174,755	493,944,356
July 6. ....	246,361,237	10,853,171	33,669,397	191,524,312	71,106,472	494,081,990
July 13. ....	247,913,009	12,715,404	33,653,869	197,372,063	72,495,708	521,269,468
July 20. ....	249,580,255	11,197,700	33,574,943	199,435,362	73,441,301	491,530,952
July 27. ....	251,243,830	8,731,094	33,596,859	200,008,856	74,605,840	481,097,226

## PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5. ....	\$20,309,064	52,312,217	903,663	10,888,930	41,308,327
January 12. ....	20,006,255	52,628,491	908,320	10,880,577	41,023,421
January 19. ....	19,448,099	53,457,807	877,548	10,861,595	30,043,645
January 26. ....	19,363,374	52,163,473	890,592	10,894,683	39,001,779
February 2. ....	19,269,128	55,35,130	871,564	10,480,858	39,692,712
February 9. ....	19,659,250	52,394,329	873,614	10,459,983	39,811,595
February 16. ....	18,892,747	52,573,130	867,110	10,522,972	40,060,717
February 23. ....	17,827,598	52,394,721	841,223	10,566,434	38,640,013
March 2. ....	18,150,657	51,979,173	816,643	10,516,600	39,367,388
March 9. ....	17,521,705	51,851,463	832,655	10,572,068	37,514,672
March 16. ....	16,955,613	50,5,8,394	858,022	10,580,911	3,826,001
March 23. ....	16,071,780	50,572,490	807,413	10,611,987	34,511,545
March 30. ....	15,856,948	50,890,306	608,148	10,631,582	34,150,225
April 6. ....	15,892,745	50,998,231	64,719	10,651,615	33,796,595
April 13. ....	16,189,407	51,283,776	548,625	10,645,367	34,637,683
April 20. ....	16,582,396	51,611,441	485,535	10,647,224	35,880,580
April 27. ....	16,737,901	51,890,959	232,817	10,638,021	36,234,870
May 4. ....	17,196,558	53,064,267	386,053	10,639,405	37,171,064
May 11. ....	17,278,919	53,474,858	408,763	10,697,953	38,172,189
May 18. ....	16,770,491	53,896,890	409,978	10,630,831	38,230,523
May 25. ....	16,019,180	53,536,170	269,138	10,635,520	37,778,783
June 1. ....	16,881,109	52,747,368	334,393	10,637,423	37,332,144
June 8. ....	16,580,720	53,158,124	246,615	10,642,920	37,262,614
June 15. ....	16,300,010	53,192,049	338,261	10,046,298	37,174,269
June 22. ....	15,964,424	52,968,441	373,303	10,642,224	37,333,479
June 29. ....	16,105,61	52,538,963	365,187	10,641,311	36,616,847
July 6. ....	16,022,675	52,420,272	461,951	10,641,201	37,077,455
July 13. ....	16,234,914	52,602,352	419,399	10,641,707	37,855,296
July 20. ....	16,603,860	53,150,569	371,744	10,637,651	38,170,418
July 27. ....		43,104,475	333,118	10,633,750	37,829,640



## BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

	Legal			Circulation—	
	Loans.	Specie.	Tenders.	Deposits.	National. State.
January 7.....	\$97,009,742	1,188,451	17,083,837	40,824,618	24,580,867 812,664
January 14.....	98 4 1,778	1,384,300	16,829. 45	40,246,216	24,297,446 811,749
January 21.....	95,998,992	1,078,160	16,69 ,99	38,679,604	24,275,162 301,911
January 28.....	97,891,329	1,068,339	16,816,481	39,219,341	24,716,597 802,298
February 4.....	97,742,461	956,569	16,394,604	32,703,053	24,691,075 806,014
February 11.....	97,364,163	873,896	1,105,479	39,474,359	24,686,663 805,603
February 18.....	96,949,478	929,940	15,396,333	38,900,540	24,785,420 805,603
February 25.....	95,23 ,900	779,402	15,741,046	37,893,963	24,963,605 803,228
March 4.....	95,050,727	953,887	15 9 8,103	38,816,578	24,675,767 801,480
March 11.....	92,078,975	696,447	15,719,479	36,712,052	24,844,631 789,518
March 18.....	98,156,436	568, 94	16,270,379	36,751,733	24,809,529 292,152
March 25.....	92,661,080	516,184	16,557,906	36,751,731	24,733,722 299,091
April 1.....	91,728,347	435,113	17, 12,433	37,066,966	24,643,376 206,025
April 8.....	91,679,519	456,751	16,960,418	37,238,775	24,851,522 226,011
April 15.....	91,718,414	376,343	16,815,365	37,218,535	24,588,519 237,205
April 22.....	92,472,815	348,712	16,549,598	38,207,548	24,832,200 236,701
April 29.....	92,353,922	329,851	16,926,564	37,837,092	24,81 ,487 234,322
May 6.....	92,671,149	509,878	16,871,788	38,721,769	24,784,532 235,806
May 13.....	92,428,114	617,597	16,563,421	38,504,761	24,804,992 233,514
May 20.....	92,638,587	507,806	16,499,319	37,674,852	24,838,469 232,421
May 27.....	92,228,677	441,072	16,863,861	37,123,051	24,805,860 230,961
June 3.....	92,694,925	571,526	17,173,801	37,0 6,894	24,725,794 279,275
June 10.....	93,436,167	436,767	16,767,864	36,033,716	24,804,163 268,768
June 17.....	93,725,323	511,035	15,719,796	36,099,933	24,771,778 271,048
June 24.....	92,951,163	470,644	15,758,896	36,521,129	24,788,947 267,224
July 1.....	92,998,708	617,456	16,066,141	37,476,387	24,737,3 8 266,253
July 8.....	94,747,778	915,438	15,066,466	38,261,040	24,801,832 276,494
July 15.....	95,046,468	833,406	15,397,828	38,640,431	24,771,683 274,922
July 22.....	95,096,5 1	660,208	15 427,625	38,323,618	24,744,291 263,666
July 29.....	95,694,314	361,878	15,543,401	38,548,722	24,652,742 256,564

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The following advertisements appear in our advertising pages this month:

MERCANTILE.		INSURANCE.	
Lillie's Fire & Burglar-Proof Safes—198 B'way	Baratow, Eddy & Co.—26 Broad St.	New York Mutual Insurance Co.—61 William st	
Lewis Audendried & Co.—110 Broadway—An-	Gilmore, Dunlap & Co.—Cincinnati.	Fidelity Insurance Co.—17 Broadway.	
thraxite and Bituminous Coal.	DeWitt, Kittle & Co.—89 Wall St.	Marine—Great Western Insurance Co.	
A. B. Sands & Co.—139-141 William St.—Drugs	Vermilye & Co.—44 Wall St.	Fire—Hope Fire Ins. Co.—92 Broadway.	
BANKERS & BROKERS.			
Duncan, Sherman & Co.—Cor. Pine & Nassau.			
L. P. Morton & Co.—30 Broad Street.			
Tenth National Bank—336 Broadway.			
Ninth National Bank—363 Broadway.			
Lockwood & Co.—94 Broadway.			

THE  
MERCHANTS' MAGAZINE  
AND  
COMMERCIAL REVIEW.

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SEPTEMBER, 1867.

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**PROPOSED FINANCIAL POLICY OF NEW YORK CANAL ENLARGEMENT, ETC.**

The Constitutional Convention of the State of New York, witnessed the somewhat extraordinary spectacle last week of receiving reports from two of their principal committees, adverse to each other. Of one of these, the Committee on Finance, Honorable Sanford E. Church, former Comptroller and Lieutenant-Governor, is Chairman; and of the other, the canals, Honorable Elbridge G. Lapham, of Canandaigua, is chairman. The subject about which the controversy has occurred is the enlargement of the trunk canals, and it will divide alike the Convention and the people of the State. Mr. Lapham believes that the exigencies of trade demand that as early as 1868 the Legislature should authorize the enlargement of a tier of locks and other incidental improvements on the Erie, the Oswego, and the Cayuga and Seneca Canals; while Mr. Church holds that they are ample for all the commerce which the West will have for them till 1882 at least. Another member of the Committee on Finance, Honorable Freeman Clarke, former Comptroller of the Currency, also made a report to the effect that there would never be further occasion for enlarging the canals, as the railroads were sure to perform all the additional transportation likely to be required. Amid these differences of the doctors the next two weeks of the Convention will probably be lively. Involving as the question does, the united interests of the State and its commercial metropolis, the decision should be carefully made.

Under the present Constitution, the revenues of the canals, after payment of the expenses of superintendence, collection and repairs, are to be devoted to liquidating the interest and redeeming the principal of the State debt, taking in turn the canal debt of 1846, the General Fund debt and the canal debt authorised in 1854. Any enlargement of the locks or of the bed of the canal must be paid for by direct taxation, in case it should be authorised by the Legislature before the extinction of these debts.

The Committee on Canals propose a revision of the organization of the Canal Department, abolishing the Canal Board, the Contracting Board, and the offices of State Engineer and Surveyor, Canal Commissioner and Canal Appraiser. The article which they have prepared establishes a Superintendent of Public Works, with five assistants; and continues the Auditor of the Canal Department. The Comptroller, Treasurer and Attorney-General are made Commissioners of the Canal Fund, and charged with the disposition of its revenues, and endowed with the power of appointments. The Auditor, Superintendent and Commissioners are empowered to fix the rates of toll, but are expressly restricted from reducing them till the present canal debts shall have been paid.

One great difficulty in understanding the subject of State finance has been the meshy system of funds which exists, making it almost impossible to distinguish one from another. Thus besides the general fund, the common school fund, the literature fund and the United States department fund, there are numerous sinking funds for the liquidation of debts incurred by the canals and lending Comptroller's bonds to railroad corporations. Both the committees have undertaken to simplify the matter by consolidating the obligations of the canal department and the sinking funds set apart to meet them. But they do not attempt to do so alike, as each committee was moving in a different direction, so that it will be necessary to scrutinize their suggestions carefully in order to understand them aright.

Mr. Lapham proposes to unite the following items of indebtedness, making of them one single "canal debt":

The Canal Stock Debt of 1846 .....	\$2,265,000
The Canal Enlargement Debt of 1854 .....	10,750,000
The Floating Debt Loan of 1859 .....	1,700,000

The several sinking funds for the redemption of these debts are accordingly comprehended in one "canal debt sinking fund." The revenues of the canals, after paying the expenses of superintendence, collection and repairs, are to be placed in that sinking fund and appropriated annually by the Legislature as follows, namely:

1. To pay the interest and principal of the canal debt falling due during the year.
2. To pay the interest on the "general fund debt."
3. To pay the expense of completing the locks in the Champlain canal, not exceeding in the aggregate \$300,000, and to the payment of any existing debt for canal purposes, till all such debt shall be liquidated.
4. After complying with these conditions, the remainder of the sinking fund shall be annually appropriated to furnishing necessary supplies of water to the Erie canal, to enlarging bridges and aqueducts on the Erie,

the Oswego and on the Cayuga and Seneca canals, and for the construction of a tier of locks on those canals, capable of admitting boats 23 feet in breadth, 200 feet in length, and drawing 6 feet of water. This work to be begun in 1868 and completed as soon as the revenues will permit.

When the receipts of revenue from tolls shall not be sufficient to make these specified payments, the deficiency shall be made up by borrowing; and in case of failure to realize a sufficient amount in this manner, the Legislature is required to make provision. After the payment of the "canal debt," the moneys in the sinking fund, as soon as sufficient sums shall have been accumulated for that purpose, shall be applied to redeem the principal of the "general fund debt," \$5,642,622 22. When this shall have been accomplished, the surplus revenues of the canals shall be employed to refund to the State Treasury the "contributions" or advances made to the canals since 1846, the principal and interest of which now amount to \$18,007,289 68, as required by article 7, section 5, of the present constitution.

Governor Church's report classifies the entire obligations of the canals as follows, namely:

The canal debt of 1866 .....	\$3,268,060 00
The floating canal debt, usually called the "General Fund Debt" .....	5,642,622 22
The canal debt under the constitutional amendment of 1854 .....	10,807,000 00
The floating canal debt of 1869 .....	1,700,000 00
Advances to the canals since 1846 .....	18,007,289 68
Aggregate .....	\$39,414,971 90

Of this aggregate \$21,407,682 22 are due to the creditors of the State, and the remainder, being for amounts levied upon the people by direct tax, is made, as shown before, by the present Constitution, a debt of the canals to the Treasury of the State. The remaining obligations consist of \$26,944,000 of "bounty debt," and \$218,000 of contingent indebtedness, chiefly incurred by lending the credit of the State.

The Committee on Finance accordingly propose to constitute all the obligations to the redemption of which the revenues of the canals are pledged, a single "canal debt." To meet it, there will be in the general sinking funds on the 1st of October next \$2,788,505, leaving a net indebtedness of \$18,652,177. They provide that after paying the expenses of collection, superintendence and repairs of the canals, there shall be set apart on the 1st day of October of each year the whole of the remaining revenue from tolls, as a sinking fund to pay the interest and redeem the principal of the debt as it shall fall due, till the entire canal indebtedness shall be extinguished. They fix the same time as contemplated by the present Constitution, the 1st day of October, 1873. Whenever in any year, these net or surplus revenues shall not reach \$2,418,000, there shall be a direct tax levied on the people of the State to make up the deficiency, unless the receipts of the preceding years shall have sufficiently exceeded that amount to accomplish the same thing.

The outstanding canal debt having been thus extinguished, the surplus revenues are set apart to repay the "advances" drawn from the people by taxation for canal purposes since 1846; of which the principal is \$14,396,767 97, and the interest now arising \$3,610,621 71—making a total of \$18,007,289 68. The Committee propose to apply this amount to the payment of the principal and interest of the bounty debt, pro.

viding, also, that the tax required annually for the bounty debt sinking fund shall be correspondingly reduced.

This will postpone all enlargement of the canals till the period when the State debt shall have been liquidated, unless there shall be a special authorization by the people. The new article proposed by the Committee expressly prohibits any tax for the purpose except on that condition. It even forbids grants or loans to railroad and other corporations, and to hospitals, orphan asylums, and other enterprises, and continues the limitations of the present Constitution to the incurring of indebtedness. The building of the new Capitol is put off ten years.

As to the wisdom of all these restrictions, we would suggest whether there is not danger in making a constitution too particular in its provisions. It is not in the nature of our institutions to have a fundamental law which prevents any change of policy. The public may now consider it wise now to enlarge our canals, or to build a Capitol, &c., but sometime hence they may desire the privilege, and that without going through the difficulties and delays of framing a new instrument or even amending the old one. We cannot believe, therefore, that the people are ready to approve of these cast-iron restrictions.

In respect to the necessity of enlargement Mr. Church's arguments are entitled to careful consideration. The last effort of the State in that direction costing \$39,425,534 32, and occupying thirty years, has just been completed. It has secured a water-way of seventy feet by nine, capable of carrying boats of 250 tons burthen. Judging from past experience Mr. Church supposes that the expenditure would be twice (\$12,000,000) the estimated amount; especially as labor and materials are extravagantly dear. Besides the enlargement of the locks will probably necessitate an enlargement of the water-way, as well as a change of other structures, and so incur millions more of debt and expenditure. This certainly is a very weighty consideration. Whether it is wise, with our present heavy burthens, to incur others so large and indefinite in amount is matter for serious thought. But the report argues against the necessity of the enlargement by declaring that the capacity of the Erie Canal has never yet been reached or even approached. Four millions of tons, it tells us, can be transported over it in each direction every season; yet the utmost was in 1863, when the Mississippi river was blockaded, and only 2,816,094 tons were carried. Those navigating the canal complain often of bad repair but not of want of capacity; and the committee think that better management and not greater capacity is now required. They quote the present State Engineer and Surveyor, Mr. J. P. Goodsell, also Van Rensselaer Richmond, and other engineers to show that the entire capacity of the Erie Canal will not be required before 1882.

We must take exception to this conclusion of the Committee of Finance. It has never been insisted that the canal would not transport with ease all the freight offered, provided it would be offered in turn through the season. But forwarders do not do business in that way. In the months when business is dull they desire to move forward little or no freight, and the boats are comparatively idle. But in other months, especially in Autumn, after the harvests have been gathered, there comes a perfect deluge of business, and if the capacity of the canal is at

that time insufficient, it is as bad for all practical purposes as though such was the condition the entire year. Then, too, there will be more business for our canals if it can be done cheaper. The idea of the enlargement is to enable freight to be carried through without breaking bulk. If this is done the expense of transportation will be lessened, and, therefore, large quantities of corn, &c., that now are never sent to market, will be pushed forward and the amount of freight increased. So also much that is at present carried by railroads would return to the canals for the same reason. And if the enlargement permits of steam being used, this increase of freight would be more rapid and decided.

The next position that Mr. Church assumes is that a further enlargement would not cheapen transportation. The present rates of tonnage are less than half the prices on the railroads. Nearly one-third of these rates consists of the tolls levied by the State. If the canal debt should be increased, the present toll-sheet must be maintained; whereas, if the debt shall be paid, the tolls could be reduced to a nominal amount, barely sufficient to keep the canals in repair. This would enable the prices of transportation to be lessened in proportion. "Freedom from debt and comparative freedom from tolls constitute a policy which the State should permanently adopt in reference to the canals, and from which it should never have departed." Here, again, it appears to us the reasoning is partial. As to what the former policy of the State should have been it is not pertinent to consider. But it is apparent that if the locks of the trunk canals should be enlarged to the dimensions contemplated, vessels capable of navigating the lakes and Hudson River could be passed, as we have intimated above, from the one to the other, without breaking bulk. If this should be achieved, there would be a large deduction to be made from the cost of transportation, besides the advantage of the time gained over the present mode. Then, again, as we stated above, if the proposed enlargement should enable steam also to be employed in navigation, there would be a still further saving of time and reduction of the cost of transportation. The drawback occasioned by keeping up the tolls would thus be more than balanced.

But the finance committee build their chief argument on the consideration that the present liabilities of the State amount to \$48,351,682 22, and those of the cities, towns and counties to \$85,000,000, while New York is also obligated to pay at least \$500,000,000 of the national debt and probably as much more of unascertained indebtedness. In addition is the present enormous taxation. The State tax is \$12,500,000; town and county taxes, \$32,000,000, and city taxes, \$18,000,000—total, \$62,800,000. To meet all this the State has but about \$20,000 net revenue from the Salt Springs and the auction duties, which last year reached \$269,729. The remainder must be paid by direct taxation.

This we conceive is an argument of great weight, and yet at the same time we should remember that much of the State and local taxation is for the very purpose of paying off debts. One-third of the State burden is so employed, and the counties and towns for two or three years past have been reducing their war bonds. A few years more will remove all these, and if no new obligations shall be incurred, the State and the great majority of cities, towns and counties will be out of debt in 1878. Wiser counsels will also be required at the Federal capital, so that there is a silver lining to the cloud.

Then we should always be careful not to push economy and caution so far as to tie our hands from helping ourselves. If the State of New York is actually sustaining a crushing weight of public liabilities, she should obtain every aid in her reach. Her wealth is due in a vast degree to her extensive commerce. It becomes of the most vital importance to extend that commerce. No unnecessary obstacle should be imposed. She has embarked in a canal policy, and should now make that policy as beneficial as possible, as in that way she can increase the power of her citizens to endure taxation. The outlay of a few millions, more or less, will not signify much in the long run. A generous and enterprising policy will secure to the State the trade of the West clear to the Pacific. The State, her counties and municipalities can weather the storm, without bankruptcy, if they are enabled to put forth every energy.

We have not space to examine these reports further. It seems, however, evident to us that the policy of turning our backs on enlargement, and incorporating into our constitution stringent and particular provisions against it, is unwise. Nor would we place into that instrument the opposite view. Leave the question open so that we can take advantage of future developments. Perhaps a freight railroad can be built that can do the business cheaper and better than canals. In that case no enlargement or ship canal will be necessary. One thing, however, is we think certain, the West is entitled to as cheap a transit to the seaboard as capital is able to give. If we have determined not to sell our canals, it will not do for us to say positively we will neither enlarge them or permit private enterprise to furnish cheaper avenues through the State which will compete with them.

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### RAILROAD PROGRESS IN THE SOUTH.

While all eyes are anxiously turned towards the South, wishing for that day when political union shall again be perfected and its blessings realized, it becomes of special importance to know whether any, and if so what, industrial progress is being made in that section of the country. Reconstruction, to be of much value, must begin with or find its chief support in a revival of business enterprise. Hence no better indication of the progress towards an effective re-union can be desired than is furnished in the rapid railroad development now taking place in many of the Southern States.

When the civil war arrested progress in Southern railroads, there were 10,032 miles of road building or actually completed in the fourteen slave holding States. On the 1st of January last there were 16,742 miles in progress or completed in those States, and at the present time there are nearly five thousand miles of road in course of construction, the completion of which is pushed forward with an energy that is only limited by the supply of capital. Many of the new lines are of great importance, and constitute new trunk roads for the establishment of direct communication between remote and important sections of country, or else they form branch lines in connection with old established roads.

Perhaps the most extensive of these new enterprises are in Texas. Since the close of the war, great activity has been manifested in this particular in that State, and at present there are within its limits not less than 1,200 miles of road in process of construction. Some of these new lines are of great importance, and will open up the resources of the richest part of the State to commerce. The Texas Central, to be finished probably in 1868, traverses a rich wheat growing region, and will ultimately connect with the Indian nation—soon to be opened to civilization—with Kansas and with the Great Pacific line to California. Branch lines are to be built to Galveston and Houston, and thence to New Orleans, thus bringing the almost boundless resources of the interior of Texas within reach of the Gulf ports. It is also in contemplation to construct a ship canal from Houston to Galveston Bay. The route has been already surveyed, and it is estimated that a canal 100 feet wide and 12 feet deep can be constructed at a cost of \$750,000 in specie. This will provide a much needed outlet to the sea for the commerce of the interior of Texas, and its completion will soon be a commercial necessity, owing to the rapid development of the State.

Next to Texas, the most important railroad enterprises occur probably in Virginia. This State has been foremost in all works of internal improvement since the war, and considering the limited resources and credit at her disposal, it must be admitted that immense progress has been made. Last week the Virginia Central Railroad was opened to Covington, where it connects with the Covington and Ohio Railroad; the first step towards uniting Louisville and Cincinnati with Richmond and Norfolk. This is a most important work on account of the connecting links that will bring so large a portion of the natural resources of Virginia within reach of both a home and a foreign market—for the establishment of a direct line of steamships between Norfolk and Europe is an important event of recent Virginia development. A portion of this same line is that contemplated between the Kanawha region and Richmond. The Virginia legislature at its last session granted a charter to a company for the construction of this road, which has been contracted for and will soon be commenced. It is intended to tap a region abounding in iron, lead, salt, coal, manganese and other minerals, and bring these products to a market. Virginia is richer than Pennsylvania in natural wealth, and the development of this region is one of the important features of progress in that state.

The Chesapeake and Ohio Railroad, which is a consolidation of these lines designed to connect the commerce of the Ohio and Mississippi with tide water is one of the grandest schemes ever contemplated for the industrial development of Virginia. The city of Richmond has subscribed \$2,000,000 towards the execution of the work. The people of Augusta County are about to vote on a proposition to aid it by an appropriation of \$500,000. Other counties and cities in the State have already taken stock to the amount of \$3,000,000, and it looks as if the work would be completed by capital raised exclusively in that State. The extension of the James River canal to the Ohio—thus affording water communication between the west and the seaboard—is also a project of kindred importance. This was an enterprise that attracted the attention of Washington, and was



urged by him with great energy as a commercial necessity for the State. But inaction at that time left the prize to be carried off by New York through the construction of the Erie Canal. At present, however, there is a fair probability of the work being completed, as the existing Virginia canal, of which the proposed line is an extension, has fallen into the hands of a French company which, it is said, intends to prosecute the work without delay, as soon as its charter shall have been fully confirmed.

These Virginia railroad and canal enterprises, although of the highest importance on account of their influence in developing the resources of the country, are only subsidiary to a still grander project that is intended to divert to Richmond a portion of the commerce of the Pacific. Richmond has now direct communication with Memphis. The Railroad from Memphis to Little Rock, Arkansas, will be finished within a few months. A Texas company has undertaken the work of building a road that will unite Northern Texas and the Rio Grande with Arkansas. General Fremont is now pushing a railroad through the Mexican provinces of Chihuahua and Sonora, that will connect the Rio Grande and the James River *via* Little Rock and Memphis, with Guaymas, in California: hence, before the expiration of another year it is expected that Richmond will be in direct railroad communication with San Francisco.

The railroad and canal improvements in the other Southern States are also of considerable importance. In Alabama recent arrangements have connected the Will's Valley and Chattanooga Railroad into the Chattanooga and New Orleans line. This road will be completed to the Alabama State line in October next, and the cars will be running to Gadsden within eight months. A short link of thirty miles—which is now being graded—will then connect Selma with Chattanooga. This road will open up the grain lands of Alabama to the great Northern and Western markets, and will impart new energy and industry to one of the finest sections of country in the Union. The Charleston, Atlanta, Memphis, Topeka, and the New Orleans and Chattanooga railroads will all cross the Coosa River near Gadsden, and that place will then become, next to Atlanta, the most important railroad centre in the interior of the Southwestern States. Louisville and Cincinnati are competing for the commerce of the Gulf States, and the capital of these wealthy cities has been available in improving and perfecting the communications with Mobile, Vicksburg and New Orleans. Nearly all the Southern cities are taking measures to extend their railroad communications with the interior. Savannah was almost the first to put in order its old roads and plan new connections. Charleston has evinced a decided activity in the matter, and is once more in direct railroad communication with the Mississippi River at Memphis. In a word, from almost every seaport along the Southern coast connections are being effected with one or another of the leading trunk lines that compose the admirable net work of Southern railroads. North Carolina seems to be the most backward, but the project of repairing the Dismal Swamp Canal, which will probably be soon completed, will open that State to a new career of industry and wealth.

Our limits preclude us from presenting in detail all of even the larger

roads projected, and much less can we make room to describe the numerous shorter enterprises in progress in the Southern States. Enough has been given to indicate that the Southern people manifest an energy and interest upon the subject, that could scarcely have been anticipated at the close of a long and exhausting civil war. They have been greatly aided in the work of industrial reorganization by the liberality and wisdom of the Government in restoring the military railroads at the close of the war to the original owners on payment of a fair valuation for improvements in the roads and the rolling stock. Indeed, it is not easy to see how any progress could have been made in case a different policy had been adopted by the authorities at Washington.

The vigor thus manifested at the South in opening these great lines of Southern trade is also very important, in that it facilitates the restoration of society to a healthy condition, and thus affords effective guarantees for the future. With the establishment of easy intercourse with distant markets, the vexed labor problem was divested of half its difficulties. To all classes the one resort of industry was the only possibility of the future. In this view, the restoration and improvement of the great highways of modern travel is invested with a grand significance. It has smoothed past troubles and will lead to still higher benefits. Politics and government are dependent upon and controlled by the social and industrial condition. All that is now required is confidence and security, and when these shall have been obtained, the South will enter upon a new career of prosperity.

### DEBT AND FINANCES OF LOUISVILLE.

The public debt of Louisville is made up of what is called the Debt Proper and the Contingent Debt—the latter being loans of the city's credit to certain Railroad Companies. The following is a schedule of the Debt Proper :

#### FUNDED DEBT, JANUARY 1, 1867.

Date of Bonds.	For what pur- issued.	Time When to run. due.	Where payable.	B'nds— iss'd.out.	Amount of bonds.
July 24, '88.	L. Gas Comp'y.	30 y'rs. 1868.	L. Gas Co.'s office.	100 .34	\$34,000 00
Feb. 21, '88.	Wharf Property.	" 1868	Manh. bank, N.Y.	31 .26	26,000 00
Apr. 20, '83.	Jeffers. W.R. st'k	" 1883	Mercantile bk, N.Y.	80 .80	80,000 00
Jan. 1, '83.	School Houses.	" 1883	" "	75 .75	75,000 00
Apr. 1, '58.	L. & N. R.R. st'k	" 1883	" "	800 499	499,000 00
Mar. 15, '84.	Trader Wharf.	" 1884	" "	175 171	171,000 00
Oct. 15, '84.	School Houses.	" 1884	" "	18 .8	18,000 00
May 15, '87.	Water Works	" 1887	B. of America, N.Y.	673 673	67,000 00
May 15, '89.	"	" 1890	" "	294 279	279,000 00
Oct. 17, '63.	Wharf Property.	" 1893	Mercantile bk, N.Y.	10 .10	10,000 00
Feb. 2, '63.	"	" 1893	" "	15 .10	10,000 00
Feb. 17, '65.	Bounty fund.	20 y'rs. 1885.	Treasurer's office.	100 .87	87,000 00
Mar. 1, '65.	"	" 10 y'rs. 1875.	" "	100 .91	91,000 00
June 10, '65.	School Houses.	30 y'rs. 1885.	" "	130 130	13,000 00
Mar. 25, '68.	Cabel Street.	" 1886	" "	344 344	34,747 94
Apr. 10, '66.	School Houses.	30 y'rs. 1890	" "	80 .80	80,000 00
Apr. 25, '68.	Streets.	" 1896	" "	334 334	33,500 00
Sept. 15, '68.	"	" 1896	" "	314 314	21,500 00
Oct. 1, '68.	"	" 1896	" "	40 .40	40,000 00
Dec. 15, '68.	"	" 1896	" "	40 .40	40,000 00

Total number and amount of bonds. 2499 2381 2,381,747 94  
 Bonds authorized, but not yet issued. 95,500 00

The bonds issued as loans of the City's credit, forming the contingent debt (being endorsements) are described in the following statement :

## CONTINGENT DEBT JANUARY, 1, 1867.

Date of bonds.	For the benefit of what RR. issued.	Time to run.	When due.	Where payable.	Bonds—Iss'd Out.	Amount of bonds.
Ap. 20, '52.....	Jeffersville RR.	30 y's	1882.....	Bank of	\$ 0 150	\$150,000 00
Ap. 1, '56.....	Lou'vil. & Nas. RR.	"	1886.....	America,	500 471	471,000 00
Oct. 1, '55.....	" " " "	"	1886.....	N. Y.	270 234	234,000 00
Ap. 1, '57.....	" " " "	"	1887.....	"	250 205	205,000 00
May 1, '56.....	Lebanon Bran. RR.	"	1886.....	"	90 90	9,000 00
Nov. 1, '56.....	" " " "	"	1886.....	"	135 135	135,000 00
Oct. 15, '63.....	Leb. Br. Exten. RR.	"	1893.....	"	600 600	600,000 00

Total number and amount of bonds..... 2,025 1,575 \$1,575,000 00

As collaterals for the security of the principal and interest of these endorsements the city holds the bonds of the corporate beneficiaries, secured by deposits of stocks or mortgage on their properties. The whole of the debt bears interest at the rate of 6 per cent. per annum, payable semi-annually at the banks named in the tables or at the City Treasurer's office. As against its debt proper, the city holds property of great value—in endorsements, erechts, and real estate (\$2,125,520 67), market-house property (\$48,344 96), stocks of various companies (\$1,549,253 70), House of Refuge Property (\$81,191 77), notes, personal debts, &c.

The valuation of taxable property, as a basis for the taxes to be collected in 1867, was—for city tax \$48,561,983, and for water tax \$57,823,727, the latter including the value of merchandize (\$9,261,744) not taxable for city purposes. The valuation for the years 1860 to 1867, both for city and special purposes, is given in the following table :

Fiscal years.	Land & improvements.	Slaves.	Car'ges.	Pers'y.	Total for city tax.	Slaves, mdse. ity, Resi- duary.	Total for RR, water, &c. tax.
1861.....	\$24,882,332	\$1,363,250	\$54,535	.....	\$26,301,107	\$3,364,345	\$34,665,352
1862.....	19,798,037	768,900	41,355	.....	19,609,293	4,151,487	23,760,779
1863.....	22,725,126	781,760	46,295	.....	23,551,171	7,036,969	30,588,140
1864.....	20,540,717	596,600	55,595	.....	21,194,912	10,090,305	31,285,217
1865.....	26,012,434	.....	89,075	.....	26,101,509	15,563,198	51,664,707
						Merchandise.	Water tax.
1866.....	46,194,397	.....	99,675	\$512,330	53,935,429	9,993,225	63,938,654
1867.....	47,927,068	.....	84,060	550,855	48,561,983	9,261,744	57,823,727

The assessment law appears to have been modified between 1865 and 1866, and "personality," formerly only taxable for water purposes, was transferred to the city valuation. Under the head of "Residuary" there was formerly from \$3,000,000 to \$6,000,000 listed as liable to water, &c., tax; also an additional slave valuation. These items, no longer existing, made a larger difference between the two lists than is at present observable—that difference being for the years 1866 and 1867 "merchandise" alone.

The following statement shows the amount of taxes collected for 1866, and the purposes for which collected :

City tax.....	\$471,400 43	Old liability tax.....	\$29,554 59
School tax.....	101,671 94	Cabel street tax.....	13 50
Gas tax.....	32,952 70		
Loan tax.....	19,964 47	Total city.....	\$732,479 33
Bounty, bond, &c., tax.....	32,064 07	Water tax.....	59,280 55
House of Refuge tax.....	22,897 33		
Taxes on all accounts.....			\$791,759 87

The total tax listed for this year was \$867,288 76, and the amount col-

lected was, as above, \$791,759 87, leaving in default \$75,528 89. The listed tax indicates a rate of about 14½ mills for city, and 1 mill for water tax. The other principal sources of revenue (other than income from investments) are license fees and rents of wharves and market houses. These (which belong to the sinking fund) have produced yearly for the past six years the amounts stated below:

Fiscal years.	License fees.	Wharf rents.	Market rents.	Total income.
1861-2.....	\$68,013 65	\$7,680 48	\$11,348 16	\$84,942 24
1862-3.....	84,370 58	11,811 84	11,312 18	106,994 10
1863-4.....	108,748 00	11,516 89	11,541 64	129,806 53
1864-5.....	123,161 46	21,544 66	9,448 61	154,194 73
1865 (9½ mos).....	129,298 20	18,982 84	8,162 53	156,433 57
1866.....	162,941 22	25,688 65	12,663 56	201,293 43

The increase of revenue from these sources is very satisfactory. We have no means of ascertaining the amount of the general taxes for a series of years.

The aggregate receipts into the City Treasury from all sources in 1866 amounted to \$1,256,752 35, and the expenditures to \$1,175,014 61, leaving a balance to credit of \$81,737 74, or, after adjustment of warrants outstanding at the commencement (\$16,669 61) and close (\$6,976 66) of the year a clear balance of \$72,044 79, which, added to the cash in Treasury January 1, 1866 (\$255,366 82), leaves a cash balance of \$327,411 61 for future appropriation.

The chief objects of expenditure in 1866 were: almshouse, \$14,064 65; bounty fund, \$31,326 57; city court and city officers, \$31,026 76; city revenue proper, \$40,365 85; schools, \$105,680 28; engineer and fire department, \$92,830 67; gas, \$27,449 37; house of refuge, \$34,589 95; hospital, \$23,678 32; pumps, wells and cisterns, \$89,786 78; sinking fund, \$198,645 25; street improvements, \$186,025 78; water fund, \$57,303 02; wharves, \$11,147 35; workhouse, \$28,041 46.

The sinking fund account is supported chiefly from licenses, market and wharf rents, &c., and including \$144,952 93 balance from previous year had in 1866 disposable funds to the amount of \$464,946 31, and paid away \$229,023 70, leaving a balance of \$235,922 60.

The value of investments (bonds, notes and stocks) held by the sinking fund at the close of 1866 was \$515,334 59.

The general financial condition of the city is shown in the following list of assets and liabilities, December 31, 1866.

ASSETS.		LIABILITIES.	
Cash.....	\$327,411 61	Bills payable.....	\$110,925 00
Fire department property.....	53,255 55	Bonds (actual issue).....	2,381,747 94
City's interest and Div.....		City warrants out.....	6,976 66
Fulton Gas Company.....	178,215 29	Cash due to Trust Funds:	
Louisville Gas Company.....	17,565 79	Bounty Bond & Int. F'd.....	47,781 10
H. of Refuge Property.....	81,191 77	Gas Light Fund.....	41,574 87
Market House property.....	48,344 96	H. of Refuge Fund.....	1,286 14
Sinking Fund Investment.....	515,334 59	Loan Fund.....	9,947 07
Stock in Water Co.....	776,016 20	Old Liability Fund.....	28,438 72
in L. & N. RR.....	500,000 00	Rowan's Heirs.....	1,345 95
" in L. & C. Co.....	200,000 00	School Bond Fund.....	18,073 52
" in L. & Fr. RR.....	3,237 50	Water Fund.....	57,319 49
Bills receivable.....	10,250 67		
Personal debts.....	182,493 84		
	\$3,888,317 87		\$2,705,464 96
Endorsements, escheats, &c.....	2,125,520 67	Surplus assets.....	2,301,373 58
Total.....	\$5,013,838 54	Total.....	\$5,013,838 54
COLLATERALS.		ENDORSEMENTS	
Stock and Mortgages.....	\$1,975,000 00	Bonds.....	\$1,575,000 00

scented soap. But she promised to present a chalice to the village church if St. Peter would let her husband, who had been so singularly unfortunate in gold mining, find a good silver mine. The husband having fully ratified the vow, both awaited with confidence the asked for intercession. They were not doomed to be disappointed. A short time afterwards an Indian called, and the miner's miserable plight became at once the topic of conversation. 'If it is rich stones you are harping after,' said the Indian, 'I can take you to a place where you shall find enough to last you a lifetime.' The offer was gladly accepted, on condition that if the place turned out as rich as represented, the Indian should receive three cows for showing it. Chopping-knife in hand, and a few provisions on their back, the two entered the thick virgin forest which stretches from Libertad to the shores of the Atlantic Ocean. After traveling several leagues, they arrived at a place where the Indians were in the habit of shooting Javalis, a kind of wild boar. "Will this satisfy you?" asked the guide triumphantly. The miner was dumbfounded. After years of fruitless toil and search, he saw at last before him a property combining all the features of a good mine. On the slopes of a hill rising 500 feet above a river-bed, he found a wide lode of quartz rock, rich in silver and gold, and traceable for several miles; magnificent waterfalls available for setting in motion the most powerful machinery, and in every direction timber of excellent quality for mining purposes. This was the now famous Javali mine, the ore of which up to that time was taken out in small quantities only and ground to powder in mortars cut out of the solid rock of the river bed whenever the Indians required gold for trading purposes. Hastening to register his claims officially, the enraptured miner tried to raise the funds necessary for turning this valuable discovery to account; but his credit was so low that not one of his countrymen would lend him a few dollars to buy picks and shovels. He would have been obliged to abandon all thought of working the mine, if a generous foreigner had not come forward with the necessary funds, and also stood between him and his relentless creditors, when the richness of the Javali came to be known. In a short time the miner was able to pay off all his and his father's debts and purchase houses and estates. The chalice promised to St. Peter's shrine was not forgotten. It was made of thirty-six ounces of gold, and by the hands of a German goldsmith, under whose hospitable roof the miner was living when his wife registered the vow.

The discovery of the Javali, or rather the betrayal of its existence by the Indian, led to the exploration of the surrounding district, and the finding of more than 300 mines of more or less importance. A proper geological survey of this undoubtedly rich district, rich in both silver and gold, has, however, as yet not been attempted, though it might be expected to lead to results which would more than a thousandfold repay the expenses of such an undertaking. But Nicaragua, like most parts of Spanish America where the foreign element has as yet not penetrated, is so poor that it has no funds for projects of this nature. Though all mines are national property, the discovery and tracing of them out is entirely left to the individual enterprise of people who have acquired a certain amount of empirical geological knowledge, and who, when they find rich spots, make them their own by registering them officially. As long as the mines are worked, and worked properly, the title thus acquired is un-

disputed; but if for two years no work is done in them, they revert once more to the nation, and may be registered anew. Some of the most important mines of Chontales are now owned by foreigners, who are gradually introducing a better system of working them. The natives still go on mining in the most expensive and primitive manner. Deep shafts they cannot sink, because they do not know how to timber the ground; and not having deep shafts, they cannot avail themselves of even such a simple contrivance as a tackle, and have to carry all the ore on the backs of men, in leather bags fastened by a strap round the forehead. A man carries about a hundredweight at a time, and has to climb up steep trunks of trees in which notches have been cut. In damp weather these primitive ladders are very slippery, and cause numerous accidents. The ore is ground by water power and in *rastros*, heavy rocks of quartz and basalt being used for crushing.

Many of the miners are natives of the neighboring republic of Honduras. They are better workmen than the Nicaraguans, but enjoy the reputation of being greater thieves. Amongst them are some who practice the revolting habit of earth eating. The earth eaters do not constitute a separate tribe, but are principally negroes and half castes, seldom Indians, never pure whites. They are easily recognized by their peculiarly livid and sickly color. Their nickname, "toros" (bulls), must have been given them not on account of their bodily strength, for they are poor, emaciated people, but more probably because they lick the ground, as bulls are sometimes wont to do. The earth, which is a kind of clay found in the mines. I shall have it properly analyzed when I get home, and it may then be compared with the edible earth of Syria, to which Ehrenberg's researches apply, and with that mentioned some time back by the *Pharmaceutica Journal*. It is called "jabonada," because when moist it has a certain soapiness and causes some foam when brought into contact with the saliva. It is cream-colored, often tinged with pink, and has a slightly fatty taste. When well selected, there is no sand in the pieces, the whole substance dissolving on the tongue; but as tit-bits of this kind are not always attainable, a slight admixture of sand is not objected to. Earth eating is a vice which, like any other vice, grows upon people, and when carried to excess kills its victims without mercy. The same arguments which are applied to the suppression of drunkenness are applied generally with as little success to earth eating. One of the miners in the Javali gave me a full account of the way he used to go on. He was about twelve years old when he took to the habit, and carried it on till he was twenty five. Commencing little by little, he ultimately ate several pounds a day, and he lived successive days upon nothing but earth, always drinking a good quantity of water, and feeling little or no appetite for any other kind of food. At most times he used to eat the earth as it came from the mine, but sometimes he would vary the flavor by an admixture of common brown sugar or by toasting the clay over the fire. At last he carried earth eating to such an excess that he became seriously ill, and had to give it up to save his life. More than two years had elapsed since that time, but he retained nevertheless the livid look peculiar to earth eaters, and thought that he should never regain his natural color. It is very difficult to say what proportion of the mining population of Chontales are addicted to earth eating. As the majority regard

it as a vice, many practice the habit on the sly; but from my own observation I should say they amount to about ten per cent.

In these mountains a species of caoutchouc (known here by its Aztec name of *ule*), vanilla, sarsaparilla, quassia, fustic and other valuable woods abound, and there are many vegetable productions perfectly new to science. Amongst the most noteworthy are a pitcher plant (every umbel of which terminates in five flower-bearing pitchers, filled with water), and *Achimenes* with beautiful velvety leaves, a large white *Sobralia*, and a tree with fingered leaves and small round seeds, which are occasionally offered for sale by the Indians, and from which chocolate of a flavor superior to that of the common cocoa is manufactured. Some day this chocolate tree will doubtless be extensively grown by Europeans; and as it occurs in these woods together with the common naturalized cocoa, it may have been cultivated when this district was more thickly inhabited by Indians than it is at present.

You still see pure Indians in the Chontales Mountains, but they are not numerous, and are retiring into the solitude of the forest as fast as the white men or the more numerous half castes approach. Twenty years ago there are said to have been many Indian families about Libertad, but there are now a few only. Earlier still, centuries, ages ago, there must have been a large Indian population in the grassy districts of Chontales. A great number of ancient tombs, met with in almost every direction, sufficiently attest this. These tombs are found in plains having a rocky soil and good drainage. The Indians never selected ill-drained sites for their villages, and many of the most healthy towns built by the Spaniards in America are in localities originally selected by Indians. From what I saw, it would seem that in these ancient Chontales villages the houses were in the centre, and the tombs, placed in circles around, formed the outskirts. The tombs are of different heights and sizes. One of the largest, which was about twenty feet long by twelve feet wide and eight feet above ground, I saw opened by people in search of golden ornaments. It took four men about a fortnight to remove the heap of stones placed on the top of the grave and to lay the grave itself completely open. No gold was found, but a round pillar, seven feet high and eighteen inches across, which was standing upright in the centre of the tomb, a corn mill, in shape like those still in use in the country, a knife ten inches long, an instrument like a reaping hook, and a tiger's head (natural size), all of stone, and besides, some broken crocks and a quantity of balls as large as peas and made of burnt clay. In some instances, gold ornaments have been met with, but not in sufficient numbers to offer much inducement for people to destroy these venerable relics. Men of science will therefore find about Juigalpa, San Diego, Libertad and other places a sufficiently large number to enable them to throw some light upon the stone age of these extinct tribes.

The Indians who before the Spanish conquest inhabited Nicaragua did not construct any large temples or other stone buildings, as some of the other natives of Central America have done. But in some parts they made stone idols of considerable dimensions, some of them representing the human figure, and reminding us of those of Easter Island, in the Pacific. A most finished piece of sculpture I found near the Limon mine in New Segevia. It was a large font broken in halves, having on the

outside a human face representing the sun, the hair doing duty for the rays. But what struck me as singular was the circumstance that there was a long pair of mustachios, such as no Indian ever had, and the question at once suggested itself—did fancy induce the Indian artist to add this long appendage, or did he copy it directly or indirectly from a bearded race with which his countrymen had come in contact?

Although the gold regions of Chontales are very close to the Atlantic Ocean, yet there is no direct road between them and the seaboard, and all communication is kept up by American steamers passing up the river San Juan and the lake of Nicaragua. Passengers are discharged at San Ubaldo, where, during the wet season, they have to traverse the most awful swampy plains imaginable. They have, whether they like it or not, to plunge into holes filled with mud and water that make the hair of any novice in Central American travelling stand on end. One of my companions, who had never seen any other roads than those of England, despondingly inquired whether we could not go round when we came to the first of these mudholes, from which a Californian, out "prospecting," was struggling with all his might to extricate himself and his wretched mule. My old shipmate, the late Captain J. Hill, R. N., has fixed the geographical position of St. Domingo, one of the larger mines, making the latitude, by observation,  $12^{\circ} 16' N.$ , and the longitude, from chart,  $84^{\circ} 59' W.$  This leaves but a short distance between the principal mines and the seaboard, and from Pena Blanca, which is the highest known peak of Chontales, and may be about 2,500 feet above the sea, you can make out the hills about Blewfields, though not the ocean itself. At my suggestion, a meeting was called of all those who had either been from Chontales to Blewfields or who were interested in opening a direct road between them. A good many responded to the call, and I elicited much useful information, tending to show that it was practicable to cut a road from Javali to Aguas Muertas, the navigable part of the Blewfields river. Pena Blanca commands a very fine view. You cannot see any rivers, though they discharge themselves into the Atlantic, the Javali entering the Mico and the Mico the Blewfields; but you can see the Javali lode of auriferous quartz rocks for several miles, and distinctly trace the various branches (which in many instances have proved extremely rich) running into it. Further on, the eye, passing over dense virgin forests, encounters green savannas. The view is bounded on the east by the Blewfield hills, on the west by the lake of Nicaragua and its characteristic islands. What a capital subject for a geographical paper an exploration of this district would afford! It is truly virgin ground, where here and there you meet a few families of Indians—"Caribs" the half-castes of Nicaragua call them, though they do not practice the flattening of the head and other customs deemed peculiar to that race. The vegetation of Pena Blanca is distinct from that of any other mountain top I have seen in Chontales. I found a purple *Lobelia*, a scarlet caulescent Orchid and a crimson *Macleania*. Much to my regret, many of the woody plants had been destroyed by fire. On my last ascent, the gentleman who had kindled the flame was with me, and was somewhat astonished when instead of receiving unqualified praise for having cleared the view, I told him it was fortunate, standing as we did on the brink of a yawning precipice, that the enraged



botanist within me was somewhat mollified by my appreciation of the fine landscape which he had as it were unrolled.

There are a good many monkeys, grey squirrels, green parrots, wild turkeys, macaws, and snakes, in the woodlands of Chontales; the largest and most common snake, known by the native name of taboba, attains 6 to 8 feet in length, but is not venomous. In the grassy parts you find a good number of armadilloes, which the natives are very fond of eating. We caught one to take home; but having to leave it a few days at some house, we were told that it had disappeared during our absence, the temptation of eating it having probably proved too strong. Gossiping about animal life, I should not omit alluding to a gigantic saurian, said to have been last year in New Segovia, and of the vertebræ of which people have made footstools. An account of "the monster" fills several columns of the official gazette of Nicaragua, and is from the pen of one Paulino Montenegro, B.A. The author states that having heard of the existence of a gigantic reptile near LaCuchilla, he started, in company with several friends, to have a look at the animal, which was said to have made large burrows in the manner of moles, and been the cause of uprooting trees and making large stones roll down hill. He found everything as represented, and saw the course the animal, or rather animals, for there appeared to be two of different sizes, had taken. He did not obtain a sight of the animals themselves; but from the tunnels they had made, it was conjectured that they had the shape of the guapote fish of the country, were about twelve yards in length, and from impressions left on the wet ground, had "scales like those of the alligators." Ancient tradition, the reporter adds, knows of several monsters of similar size in the neighborhood. To a man of science the account given is altogether unsatisfactory; but before consigning it to the lumber-room of cock-and-bull stories, the affair ought to be looked into more closely. We must not forget that on the very highway of nations, the Isthmus of Panama, one of the largest, if not the largest terrestrial animal of tropical America (*Elasmotherium Bairdi*, Gill, or *Tapirus Bairdi*, J. E. Gray) was allowed to roam about unknown to men of science, though well known to the natives, until quite recently Prof. Gill, of Washington drew attention to it. Since then the poor animal has had no peace. Both in the Zoological Gardens in Regent's Park and the British Museum have issued warrants against him. At the various Panama railway stations a reward is given by British agents to any one who may bring him the new tapir, either dead or alive.

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#### EMIGRATION AT NEW YORK AND THE EMIGRATION BOARD.

This Summer ends the twentieth year since the establishment of the Commissioners of Emigration—and, during that period, *four millions of immigrants* have arrived at this port, seeking homes under our republican government. Four millions of names—enough to constitute a nation by themselves—are recorded upon the books of Mr. Bernard Casserly, General Superintendent of the Board of Emigration.

## ORGANIZATION OF THE BOARD OF EMIGRATION.

The Board of Commissioners of Emigration, as at present constituted, was appointed by an act of the Legislature during the session of 1847. Its objects and duties were defined as being for the relief and protection of alien emigrants arriving at the port of New York, and provision was made that such emigrants should be entitled to aid for five years after their arrival: the expenses of the whole system to be defrayed by a small commutation fee, chargeable on every person landed here.

Previous to the passage of this act, the subject of the care and support of the alien emigrants was left either to the general quarantine and poor laws, or to local laws and ordinances, varying sometimes as to provisions, and very often as to their practical administration. A general tax, under State authority, levied on all passengers, was applied to the support of the Marine Hospital at Quarantine; and aliens as well as others suffering under contagious and infectious diseases, such as yellow fever, ship fever or small-pox, was there received; but no provision was made for applying any part of that fund to the relief of those requiring aid under other circumstances. Owners of vessels engaged in the emigration business were required by local ordinances to give bonds to indemnify the city and county in case of the emigrant becoming chargeable under the poor laws.

With the great and rapidly-increasing emigration from 1840 to 1847, these provisions were found very inconvenient to the shipowners, and wholly inadequate to the purpose of affording aid and relief to the emigrant suffering from sickness and destitution. The bonds remaining for a long time uncanceled were onerous to the better classes of shipowners, while in the case of others they were found of no value when attempts were made to enforce them. A more momentous objection to the system was, that from want of proper regulations and restrictions vessels were so overcrowded and the emigrants so poorly cared for as to cause a terrible average of sickness and mortality. This state of things was becoming more and more distressing as emigration grew larger, and the public health was seriously threatened.

Seeing the horrible oppressions, temptations and villanies to which the newly arrived emigrants were exposed, when they were the helpless prey of rapacious emigrant-shipper "runners," boarding-house keepers and canal-boat captains, a few public spirited citizens resolved at this juncture to take the matter in hand, and obtain by means of direct legislation such remedies as the local authorities were powerless to apply to reform these wrongs.

Among these persons were Archbishop Hughes, Andrew Carrigan, Thomas McElrath, John E. Develin and Addison Gardner. At Albany the attempted reformation encountered a tremendous opposition. The Almshouse Commissioners, the Common Council of this city, and other powerful organizations combined to prevent the passage of the measure; but it was finally carried, and the first effective step was thus taken to abate an evil which was rapidly assuming dangerous proportions.

## THE EMIGRANT DEPOT.

Although the new Commissioners abolished many abuses; and contributed largely to the welfare of the emigrants, there were yet malignant

This method has been of incalculable service to hundreds of thousands of emigrants.

By the passage of a law of Congress, entitled, "A bill to amend an act entitled 'An act to encourage immigration,'" &c., this was inadvertently taken from the Commissioners and dispensed with, and for which a memorial was presented to the Senate of the United States by the Commissioners and *ex officio* Commissioners of Emigration apprising them of this negligence.

After landing, the emigrant passes through the examination and registering department of the rotunda. Here they are examined for the purpose of ascertaining if any are liable to be bonded, or in such condition of health as to require hospital care; and the name, occupation, age, birth-place and destination of each, with other necessary particulars, are recorded.

The Board has instituted railroad and express departments, with approved agents, whose business it is to provide tickets for their destination and to carry baggage to any part of the city.

There is also a board-and-lodging department, a wash-room, for temporary use; and arrangements are made with certain boarding house keepers of the city, who are present at every arrival, with their prices made public, in order that none of the emigrants may be swindled.

#### THE LABOR EXCHANGE.

A peculiar institution of the Commission is the labor exchange. Here are always a number awaiting situations, under the protection of the Board. The female department is closely inspected, and the detectives watch every effort made by the runners of brothels for the entrapping of the many girls seeking service as domestics. A large building is erecting to give greater facilities to this branch; and an officer has been appointed for its government.

#### DEPARTMENTS.

The next is the letter, telegram and information office, for the accommodation of the emigrants in ascertaining the whereabouts of friends. One of the departments most beneficial to the emigrant is the treasury.

Here all his foreign money is exchanged. If his friends have left money for him, on his arrival here he receives it. He may be without funds, through misfortune. He is then given sufficient to meet his present wants, leaving security for its return.

In fact, there are arrangements made to meet every conceivable want of the emigrant, and constant modifications of departments and government are made to adapt themselves to the requirements of the emigrant.

#### CHARACTER OF THE IMMIGRATION.

By an inspection of the aggregate statement for the twenty years of operations, it is seen that the emigration from Ireland is somewhat in excess. While this has been the case in the history of the emigration of the country, yet, in looking at the reports of 1866 and of the year 1867 to the present week, it will be observed that Germany is at present sending to us a greater number of emigrants than any other nation of the world.

The destination of the majority of the Germans is for the great western prairies; so with the Dane, Swede, Welsh, Norwegian and Polander, and a portion of the Italian; but the English, Irish, French, Spanish and Chinese fill up our seaboard towns.

It is said by those engaged for many years in the emigrant business that of all pauper classes who arrive at our shores the English is the most abject and degraded, and the majority of the poorer classes seldom leave the seaboard states unless transported by private arrangement, or by agents of the Commission.

#### DESTINATIONS.

The following table will give an idea whither the tide of emigration flowing into the country tends. It is taken from the report of the Commissioners of last year, ending January, 1867:

Arkansas.....	32	New Hampshire.....	180
Alabama.....	96	Nova Scotia.....	50
Australia.....	3	New York.....	97,607
British Columbia.....	11	New Jersey.....	7,877
Canada.....	1,741	Nebraska.....	119
California.....	1,678	North Carolina.....	140
Connecticut.....	3,711	New Brunswick.....	60
Central America.....	7	Oregon.....	88
Cuba.....	11	Rhode Island.....	2,392
Delaware.....	288	Ohio.....	12,923
District of Columbia.....	890	Pennsylvania.....	24,874
Florida.....	10	South Carolina.....	171
Georgia.....	225	South America.....	27
Illinois.....	22,386	Texas.....	124
Iowa.....	4,493	Tennessee.....	566
Indiana.....	3,201	Vermont.....	238
Kentucky.....	1,636	Virginia.....	1,006
Kansas.....	468	West Indies.....	15
Louisiana.....	550	Wisconsin.....	2,160
Massachusetts.....	11,874	Utah.....	2,082
Maine.....	1,818	Nevada.....	4
Michigan.....	330	Colorado.....	30
Minnesota.....	4,185	P. E. Island.....	7
Missouri.....	8,459	Idaho.....	1
Mississippi.....	4,918		
Mexico.....	19	Total.....	228,851
	65		

The above number is one thousand less than the total report of 1866 gives credit for, but it will answer as a criterion by which to judge of the influx and dispersion of the westward bound thousands that yearly enter our country. The majority of those remaining in New York is from Ireland.

#### THE WARD'S ISLAND HOSPITAL.

One of the best hospitals in the world is that erected on Ward's Island, connected with the Castle Garden establishment. It was planned by John W. Ritch, and has been pronounced as among the most perfect models of hospital construction. The amount expended for the buildings of the hospital was \$187,373 19. The report says that the number of inmates, whether diseased in the hospital or infirm and helpless in the other depart-

ment during the year was 10,306, being 2,881 more than in 1865, and 5,395 more than in the year preceding. The average number at any one time was about 1,081. The net cost of support of the Emigrant Hospita was \$142,749 35, being \$13,543 98 more than in 1865, \$26,726 64 more than 1864, \$75,695 21 more than in 1863, \$96,604 95 more than in 1862, \$87,507 14 more than in 1861, \$83,835 94 more than in 1860, and \$87,858 95 more than in 1859. During the first month of the present year it averaged \$1,182, and is at the present about \$1,700.

The following summary gives the aggregate results of the practice, both medical and surgical, during 1866:

Cared for in hospital during 1866 (including 647 remaining on 1st January, 1866,) together with 438 births.....	6,829
Number discharged, cured or relieved.....	5,468
Number died .....	788
Number remaining at the end of the year.....	678

The whole of the institutions under the supervision of the Board of Emigration are yearly becoming more extensive; and this bureau, it will be observed, is to-day one of the largest in the country. Its efforts are in every way commendable for the good already accomplished.

#### IMMIGRATION THIS YEAR.

The emigration during the present year is somewhat in excess of last year. From January to August 21st, 1867, we have as follows:

Ireland .....	45,895	Nova Scotia .....	18
Germany .....	77,042	Sardinia.....	....
England.....	21,656	South America.....	65
Scotland.....	3,679	Canada .....	25
Wales .....	118	China .....	7
France .....	1,070	Sicily.....	....
Spain.....	121	Mexico .....	24
Switzerland .....	2,959	Russia .....	127
Holland .....	1,836	East Indies.....	3
Norway.....	270	Turkey.....	6
Sweden.....	3,759	Greece.....	2
Denmark .....	1,159	Poland .....	208
Italy .....	625	Africa .....	1
Portugal .....	19	Central America.....	7
Belgium.....	1,469	Anstralla.....	30
West Indies.....	174	Japan.....	57

The following is the total amount for each month up to August 21, 1867:

For the month of January, 1867 .....	7,541
"    February, " .....	5,797
"    March, " .....	13,825
"    April, " .....	25,307
"    May, " .....	35,426
"    June, " .....	40,794
"    July, " .....	22,437
And to August 21, 1867 .....	11,939
<b>Total in 1867 .....</b>	<b>162,069</b>

## RAILROAD EARNINGS FOR JULY.

The gross earnings for the under-mentioned railroads for the month of July, 1866 and 1867, comparatively, and the difference (increase or decrease) between the two periods, are exhibited in the following statement:

Railroads.	1866.	1867.	Increase.	Decrease
Atlantic and Great Western.....	\$462,674	\$400,116	.....	\$62,558
Chicago and Alton.....	231,597	256,149	24,552	.....
Chicago and Great Eastern.....	86,087	81,500	.....	4,587
Chicago and Northwestern.....	808,532	880,394	71,861	.....
Chicago, Rock Island and Pacific.....	271,008	274,800	3,792	.....
Erie.....	1,308,241	1,071,819	.....	236,421
Illinois Central.....	480,536	497,591	16,855	.....
Marietta and Cincinnati.....	96,088	106,594	10,571	.....
Michigan Central.....	224,986	213,091	.....	11,895
Michigan Southern.....	228,499	212,879	.....	15,620
Milwaukee and Prairie du Chien.....	170,798	180,000	.....	40,798
Milwaukee and St. Paul.....	208,735	192,000	.....	16,735
Ohio and Mississippi.....	247,222	225,000	.....	22,222
Pittsburg, Fort Wayne and Chicago.....	552,278	534,723	.....	17,555
Toledo, Wabash and Western.....	204,917	209,591	4,674	.....
Western Union.....	85,508	58,223	.....	27,285
Total in July.....	\$5,967,856	\$5,754,795	\$.....	\$213,061
Total in June.....	6,706,446	5,815,741	.....	890,705
Total in May.....	6,402,227	5,907,650	.....	494,577
Total in April.....	5,473,127	5,812,739	339,611	.....
Total in March.....	5,598,522	5,639,601	46,078	.....
Total in February.....	4,664,525	4,798,978	134,453	.....
Total in January.....	5,278,441	5,412,427	133,986	.....
Jan.-July: 7 months.....	\$40,186,205	\$39,142,940	.....	1,043,265

The gross earnings per mile of road operated for the same month of the two years, are shown in the table which follows:

Railroads.	Miles of road.		Earnings.		Difference.	
	1866.	1867.	1866.	1867.	Incr.	Dec.
Atlantic & Great Western. ....	507	507	\$913	\$739	...	\$174
Chicago and Alton. ....	230	230	1,143	1,273	129	...
Chicago and Great Eastern. ....	224	224	824	864	...	40
Chicago and Northwestern. ....	1,032	1,145	758	789	...	14
Chicago, Rock Island & Pacific. ....	410	410	661	670	9	...
Erie. ....	798	775	1,514	1,222	...	292
Illinois Central. ....	708	708	679	708	29	...
Marietta and Cincinnati. ....	251	251	322	424	102	...
Michigan Central. ....	225	225	1,140	1,098	...	42
Michigan Southern. ....	224	224	646	597	...	49
Milwaukee & Prairie du Chien. ....	224	224	720	556	...	174
Milwaukee and St. Paul. ....	273	275	759	702	...	57
Ohio and Mississippi. ....	240	240	727	691	...	36
Pittsburg, Ft. Wayne and Chicago. ....	466	468	1,180	1,142	...	38
Toledo, Wabash and Western. ....	521	521	525	594	69	...
Western Union. ....	177	177	488	229	...	259
<hr/>						
Total in July. ....	7,084	7,124	\$248	\$208	\$ ..	\$40
Total in June. ....			953	816	...	137
Total in May. ....			912	829	...	83
Total in April. ....			778	816	38	...
Total in March. ....			795	791	...	4
Total in February. ....			663	673	10	...
Total in January. ....			764	780	...	4
<hr/>						
January-July: 7 months. ....			\$5,718	\$5,494	\$ ..	\$219

## THE NATIONAL BANKS—THEIR CONDITION FIRST MONDAY OF JULY, 1867.

We have received from Mr. Hurlburt, the Comptroller of the Currency, the following statements of the National Banks of the several States for the quarter ending the first Monday of July, 1867. Our readers will find the returns for the previous quarter in the last volume of the MAGAZINE (Vol. lvi.) page 378.

## QUARTERLY REPORTS OF THE NATIONAL BANKING ASSOCIATIONS OF THE DIFFERENT STATES.

## RESOURCES.

	New York.	Massachusetts.	Pennsylvania.	Ohio.	Connecticut.	Illinois.	Rh. Island.	New Jersey.	Maryland.	Indiana.
Loans and discounts.....	209,177,904 29	97,567,584 00	75,547,000 48	38,404,404 57	26,451,727 11	17,767,511 12	20,638,554 34	17,655,130 37	17,093,390 00	12,773,773 33
Real Est., fur it and fixt....	1,485,070 55	2,500,814 00	1,400,000 00	725,000 00	418,773 65	598,438 85	598,438 85	598,438 85	598,438 85	598,438 85
Current expenses.....	1,380,519 54	1,380,519 54	1,380,519 54	1,380,519 54	1,380,519 54	1,380,519 54	1,380,519 54	1,380,519 54	1,380,519 54	1,380,519 54
Unpaid interest.....	1,480,478 54	1,480,478 54	1,480,478 54	1,480,478 54	1,480,478 54	1,480,478 54	1,480,478 54	1,480,478 54	1,480,478 54	1,480,478 54
Cash item paid.....	108,657,851 41	5,678,300 15	6,784,038 68	771,723 00	698,137 47	1,663,861 47	407,458 37	670,100 31	670,100 31	1,151,578 05
Due from National Banks.....	23,130,259 97	5,313,090 96	12,930,635 63	4,811,123 90	5,976,719 94	4,263,117 08	2,767,000 16	3,870,465 38	2,143,585 11	1,615,709 07
Due from other banks.....	7,129,113 31	5,111,874 47	1,261,360 81	1,024,329 45	5,976,719 94	4,263,117 08	2,767,000 16	3,870,465 38	2,143,585 11	1,615,709 07
U. S. bonds to secure circula'n.....	78,923,350 00	64,331,300 00	44,037,300 00	30,618,300 00	19,440,000 00	10,845,300 00	14,181,600 00	10,438,400 00	10,065,750 00	12,324,350 00
U. S. bonds to secure depona.....	4,363,400 00	6,893,300 00	4,363,300 00	4,363,300 00	1,190,150 00	1,404,300 00	413,300 00	636,600 00	636,600 00	597,500 00
U. S. bonds & secur. on hand.....	17,613,350 00	8,123,550 00	2,961,750 00	2,961,750 00	1,938,300 00	701,600 00	343,600 00	504,731 83	504,731 83	598,156 00
Other stocks, bonds & mort.....	11,835,377 55	1,971,400 00	2,094,526 70	1,901,753 58	558,653 79	771,686 86	351,344 00	504,731 83	504,731 83	598,156 00
Bills of National Banks.....	3,060,264 00	3,101,402 00	1,897,921 00	613,973 00	528,331 00	1,151,913 00	414,053 00	601,911 00	601,911 00	593,749 00
Bills of State banks.....	187,446 00	6,138 00	73,651 00	41,689 00	2,543 00	3,253 00	24,728 00	18,358 00	93,554 00	4,375 00
Specie.....	6,353,405 61	892,540 25	573,419 48	62,735 35	66,760 90	84,317 37	33,969 33	123,159 63	374,745 44	46,884 00
Legal Tender Notes.....	41,890,738 25	9,394,004 25	14,503,735 40	4,715,511 53	1,453,738 14	4,331,745 15	1,047,370 08	1,371,910 00	3,372,614 47	2,063,773 19
Compound Interest Notes.....	31,335,800 00	12,578,350 00	12,506,305 00	3,191,940 00	1,895,790 00	1,584,160 00	1,017,670 00	1,334,400 00	1,944,910 00	1,395,325 00
Aggregate.....	559,237,909 15	227,328,245 73	187,536,237 85	73,068,663 17	61,365,350 46	45,347,367 71	42,387,436 37	38,016,913 36	40,314,536 54	34,006,143 48

## LIABILITIES.

Capital stock paid in.....	115,610,441 00	79,623,000 00	49,377,900 00	51,894,700 00	94,854,330 00	11,690,000 00	20,364,300 00	11,523,850 00	12,390,309 50	12,687,000 00
Surplus fund.....	23,760,051 58	12,354,909 36	10,371,417 54	3,600,129 35	2,707,611 31	1,251,486 77	931,044 48	1,927,598 59	1,460,037 53	1,394,747 01
Nat. bank no es outstanding.....	66,794,776 00	59,293,298 00	10,965,631 00	18,303,487 00	17,056,134 00	9,438,673 00	12,405,664 00	9,087,655 00	8,715,765 00	10,935,643 00
Individual deposits.....	295,708,456 58	55,618,318 19	73,853,149 51	82,990,432 75	11,513,313 88	18,380,336 75	6,061,004 81	12,973,311 96	13,654,007 56	7,263,99 56
United States deposits.....	5,000,670 14	4,676,581 85	2,658,266 28	3,410,110 38	1,099,895 76	1,746,590 80	729,439 47	698,568 98	690,043 48	719,577 00
Deposits of U. S. drab'g omic's.....	84,8 00	65,309 51	30,066 06	91,339 86	47,778 14	13,138 33	51,237 06	146,038 99	131,668 00	181,668 00
Due to National banks.....	83,640,569 81	11,516,466 59	8,393,761 17	2,165,066 21	3,295,047 95	4,332,353 51	1,894,496 03	1,795,660 17	883,9 01	883,9 01
Due to other nks & bank's.....	14,068,676 88	1,233,988 73	1,486,778 90	591,098 73	247,349 86	1,264,359 51	104,411 97	397,951 53	397,951 53	89,846 15
Sta e bank circula'n outst'g.....	1,145,168 00	893,673 00	696,851 00	92,131 00	2,721 00	232,367 00	298,948 00	376,145 00	376,145 00	9,413 00
Profit.....	10,641,228 37	5,18 700 05	3,069,659 00	975,941 85	1,333,818 63	1,064,065 08	1,006,435 97	944,499 03	706,035 35	980,903 36
Aggregate.....	559,237,909 15	227,328,245 73	187,536,237 85	73,068,663 17	61,365,350 46	45,347,367 71	42,387,436 37	38,016,913 36	40,314,536 54	34,006,143 48

RESOURCES.

	Maine.	Missouri.	Michigan.	Vermont.	Iowa.	N. Hampshire.	Wisconsin.	Delaware.	Tennessee.	Kentucky.
Loans and Discounts	9,910,776 09	8,116,983 99	6,703,367 21	6,023,366 87	4,913,313 61	8,693,373 37	3,611,998 61	2,079,187 18	2,104,668 00	2,983,969 49
Real estate, furn't., & fix't.	299,808 73	351,963 29	394,460 44	100,513 30	226,354 68	176,367 21	176,367 21	110,645 19	166,578 96	131,946 38
Current expenses	1,257 93	88,393 75	61,910 43	33,513 71	37,891 46	34,957 76	34,957 76	31,116 08	46,800 69	3,813 10
Premiums paid	12,713 30	103,604 39	14,147 40	31,184 48	17,576 46	31,073 19	32,173 61	8,991 23	45,704 29	31,493 37
Cash items	271,491 87	877,101 46	860,869 59	124,076 63	151,173 85	191,086 61	362,748 10	87,798 25	68,761 19	10,960 59
Due from National Banks	1,660,887 80	1,091,451 88	1,073,840 11	939,497 93	963,189 35	1,251,973 93	1,312,753 64	369,611 85	897,361 74	494,941 59
Due from other banks	8,13,544 71	206,136 97	104,398 19	14,495 46	154,395 35	478,004 66	61,930 93	43,404 93	147,373 68	123,394 16
U. S. Bonds to secure circ'n	8,377,260 00	3,774,100 00	4,367,700 00	6,441,000 00	3,712,150 00	4,772,000 00	2,643,350 00	1,843,300 00	1,418,560 00	2,660,000 00
U. S. Bonds & secur. on hand	770,450 00	635,360 00	400,000 00	683,350 00	604,000 00	745,850 00	600,000 00	601,000 00	551,000 00	311,000 00
U. S. Bils. & secur. on hand	403,300 00	403,300 00	312,700 00	699,150 00	783,900 00	404,700 00	968,100 00	23,600 00	488,500 00	65,000 00
Other ats, bds. & mortg's.	271,839 23	916,344 48	210,366 00	49,759 07	146,023 00	31,400 00	31,885 00	9,298 76	318,088 00	80,900 00
Bills of National Banks	267,251 00	293,867 00	136,636 00	116,936 00	916,936 00	179,545 00	106,545 00	32,680 00	373,097 00	100,400 00
Specie	16,174 24	13,860 00	4,338 00	5,069 00	6,399 00	3,266 00	576 00	6,161 00	45 00	31 00
Legal tender notes	101,253 68	11,370 33	11,370 33	37,393 33	43,394 92	37,283 21	37,283 21	9,699 37	97,259 18	4,354 16
Compound interest notes	653,135 64	1,619,544 96	1,063,373 35	238,082 85	1,266,545 69	398,689 31	631,614 16	172,145 16	702,871 25	564,351 76
Aggregate	33,501,323 54	13,688,573 08	16,401,871 56	15,367,419 66	13,943,656 78	12,011,608 97	10,778,668 03	4,532,076 21	7,547,017 19	7,643,946 05

LIABILITIES.

	Maine.	Missouri.	Michigan.	Vermont.	Iowa.	N. Hampshire.	Wisconsin.	Delaware.	Tennessee.	Kentucky.
Capital stock paid in	8,985,000 00	7,099,300 00	5,097,010 00	4,480,000 00	3,793,000 00	4,735,000 00	2,985,000 00	1,496,136 07	1,990,000 00	2,985,000 00
Surplus fund	709,850 97	693,659 34	685,441 08	841,987 17	594,593 39	588,437 5	374,639 24	377,307 98	118,519 73	180,577 43
Nat. bank notes outstanding	7,831,864 00	3,290,408 00	3,813,081 00	5,690,435 00	3,911,480 00	416,864 00	3,508,733 00	1,108,455 00	1,093,998 00	2,910,649 04
Individual deposits	4,818,989 63	5,295,891 81	5,551,361 54	1,811,301 85	5,013,095 55	1,963,051 31	3,041,181 78	1,360,339 53	2,645,969 01	1,694,703 67
United States deposits	665,989 85	565,989 85	292,346 01	338,163 85	313,309 55	463,053 93	641,740 77	48,389 89	413,690 47	391,313 53
Dep'ts of U. S. depts & off'cs	207,198 87	1,044 06	276,993 48	3,499 46	116,513 61	45,063 93	63,461 73	166,993 36	85,115 50	17,848 36
Due to National Banks	151,693 11	1,516,364 97	57,596 88	8,506 43	8,496 96	3,963 68	293,119 53	166,993 36	37,144 84	115,985 58
Due to other banks & bank's	40,975 06	593,753 01	101,063 09	3,794 13	92,495 65	8,469 73	63,246 79	91,883 26	67,883 85	200,049 69
State bank circulat'n outst'g	80,536 00	60,355 00	3,375 00	98,393 01	13,414 00	59,130 00	3,000 00	34,908 00	131,148 47	176,377 89
Profits	678,365 61	577,367 61	265,313 57	537,517 03	379,468 08	304,334 40	239,171 73	119,976 33	161,148 47	176,377 89
Aggregate	33,501,323 54	13,688,573 08	16,401,871 56	15,367,419 66	13,943,656 78	12,011,608 97	10,778,668 03	4,532,076 21	7,547,017 19	7,643,946 05



## DEBT AND FINANCES OF BUFFALO.

The Comptroller of Buffalo, under date of July 1st, 1867, has issued his report on the financial affairs of that city for the year ending December 31, 1866, embracing the whole field of its valuation, taxation and indebtedness, and the receipts and disbursements on all accounts. The report also contains a comprehensive exhibit of the progress of the city, as relates to its finances, for the ten years ending as above. From this very valuable document we have compiled the following summary.

The debt liabilities of the city are ranged under the two heads of funded debt and temporary loans, which together amount to \$905,334.

The following are the details of the *Funded Debt* as it existed at the close of the year 1866:

Date of issue	For what purpose bonds were issued.	Amount — Interest — Prin.		
		Dec. 31, '66.	'66 Rate.	Payable.
July 1, 1853.	Duff. & Brantford R.R. stock.	\$150,000..	7	Jan. & July.. 1873
May 1, 1853.	Franklin st. property.	85,000..	6	May & Nov.. 1897
Aug. 1, "	Elk St. market.	35,000..	6	Feb. & Aug.. 1871
Dec. 1, "	Franklin St. property.	10,000..	6	June & Dec.. 1873
" 27, "	Market grounds (Court St.)	35,000..	7	" .. 1878
" 31, "	Central school property.	31,000..	6	" .. 1879
" 31, "	Market grounds (Batavia St.)	36,000..	6	" .. 1876
Feb. 2, 1857.	Building markets.	63,000..	7	Feb. & Aug.. 1877
June 1, 1859.	Judgments	18,000..	6	June & Dec.. 1867
" 2, 1863.	Funding floating debt	15,000..	7	" .. 1893
Nov. 15, "	Ship canal (construction)	11,000..	7	May & Nov.. 1892
" 15, "	Funding floating debt	11,000..	7	" .. 1892
Dec. 18, "	Defense of the Union	6,000..	7	June & Dec.. 1862
Jan. 1, 1863.	"	23,000..	7	Jan. & July '63'69
May 1, "	"	13,000..	7	May & Nov.. 1883
Aug. 30, "	Relief of conscripts.	6,000..	7	Feb. & Aug. '63'75
" 30, "	"	10,000..	7	" .. 1881
" 30, "	"	10,000..	7	" .. 1883
May 2, 1864.	Relief of volunteers' families.	25,000..	7	May & Nov.. 1874
" 2, "	"	25,000..	7	" .. 1890

—total December 31, 1866, \$612,000.

The *temporary loan* liabilities have been contracted for purchases at the annual tax sales and for payments for school lots. The details are as follows:

Date of issue.	For what purpose bonds were issued.	Amount — Interest — Prin.		
		Dec. 31, '66.	'66 Rate.	Payable.
July 1, 1863.	Purchases at tax sales, 1860	\$40,000..	7	Jan. & July.. 1867
" 1, 1863.	" " 1860	25,000..	6	" .. 1868
" 1, 1864.	" " 1861	27,541..	7	" .. 1869
" 1, 1864.	" " 1864	24,538	7	" .. '68'69
" 1, 1865.	" " 1865	83,454	7	" .. '67'70
" 1, 1866.	" " 1866	79,491	7	" .. '68'71
Sep. 18, 1868.	School lot in Dist. 34	4,567..	7	Mar. & Sep.. 1878
July 1, 1865.	" " 14	4,904..	7	Jan. & July.. 1867
Apr. 15, 1866.	" " 35	3,849..	7	Apr. & Oct.. 1871

—total December 31, 1866, \$293,334.

Buffalo, including Squaw and Cranberry islands, covers an area of 23,874.64 acres.

The distribution of the area is thus—taxable lots, 20,856.74 acres; streets, 2,043.64; creeks, canals, slips and basins, 483.73; school lots, 28.54; engine-houses and police-stations, 1.27; market grounds, 10.90; church lots, 18.09; cemeteries, 257.32; public grounds, 31.29; hospital and asylum lots, 43.80; pest-house lots (on Squaw and Cranberry Islands), 8.75; Erie County property, 60.31; New York State property, 2.77; United States property, 38.89 acres.

The *public improvements* of the city consist of—paved streets, 54.17 miles; plank side-walks, 217.24; stone sidewalks, 63.11, and sewers, 57.76 miles. Total length of streets, 297.57 miles. The Assessors' valuation of property belonging to the city in 1866 was \$697,060, viz., engine lots and houses, \$63,360; central school property, \$39,400; squares and parks, \$329,250; markets and market grounds, \$177,000; public burying grounds, \$16,000; police-stations, \$13,000; courthouse and jail, (5-8ths of 90,000) \$56,250; pest-house and grounds \$2,800. These values are not assessable for taxation. The total valuation of school property (general and local) is \$321,970.

The population of the city by the United States census was, in 1810, 1,508; in 1820, 2,095; in 1830, 8,668, in 1840, 18,213; in 1850, 42,261; in 1860, 81,129. The Erie Canal was opened in 1825, and the Albany and Buffalo line of railroads in 1842. The population by the State census of 1855 was 74,214; of 1860, 81,129, and of 1865, 94,502. The increase from 1860 to 1865 was 16.49 per cent., or a fraction more than 3 per cent. per annum compounded. At the same rate the population in 1866 would be 96,872.

The *valuation of real and personal property* for taxation in each of the past ten years has been as follows:

Year.....	Real.	Personal.	Total.	Year.....	Real.	Personal.	Total.
1857.....	\$39,444,380	\$6,065,870	\$45,511,950	1863.....	\$34,677,175	\$6,944,180	\$41,621,350
1858.....	27,743,945	5,465,060	33,209,025	1864.....	25,210,815	6,598,045	31,738,860
1859.....	24,997,300	4,743,080	29,740,380	1865.....	25,491,900	6,517,510	32,009,415
1860.....	24,368,905	5,863,470	30,232,373	1866.....	25,688,210	7,730,030	33,598,240
1861.....	24,232,955	6,472,175	30,705,130	1866.....	26,438,325	8,519,375	34,957,700

It will be seen that the total valuation in 1857 was larger than in the year 1866. This may be attributed to the fact that the general revulsion of business during the former year occasioned severe losses to the business community, and the valuation of property gradually fell for several succeeding years, until it had reached its minimum in 1860 and 1861. After that time it has as gradually increased to its present valuation. It may be remarked, also, that the valuation placed on personal property is not commensurate with that of real estate, which may be accounted for by the general investment of surplus capital in national securities, which are not liable to taxation.

The accounts of the city are kept so as to show the receipts and expenditures based on general tax and other city income separately from the receipts and expenditures dependent on local assessments. The latter are chiefly for street, district school and other improvements. The receipts and expenditures of the general fund, according to the comptroller's statement, for each of the last ten fiscal years:

Year.	Receipts.	Expenditures.	Year.	Receipts.	Expenditures.
1857.....	\$400,450 64	\$245,834 47	1862.....	\$327,181 88	\$284,196 19
1858.....	433,340 42	364,904 18	1863.....	363,694 20	334,604 83
1859.....	299,437 46	304,783 33	1864.....	440,577 47	403,557 33
1860.....	309,783 40	302,443 18	1865.....	647,451 33	50,318 86
1861.....	278,948 14	268,644 49	1866.....	531,008 67	433,444 16

The general fund is raised by a tax levied annually upon the whole valuation; the income from markets, fees, and interest upon taxes, licenses, fines and penalties are also credited to this fund, which furnishes the means to defray the ordinary expenses of the city government. Of the receipts

in 1866, \$460,262 03 was from taxes, \$32,219 75 from school fund, and the remainder (\$38,526 89) from miscellaneous sources. The tax receipts would indicate a rate of  $\$1\frac{1}{2}$  on the \$100 valuation. The principal objects of expenditures in the same years were: schools, \$151,909 66; police, \$56,772 77; fire department, \$45,841 03; public debt interest, \$36,542 13, and principal, \$8,000; lamps, \$32,405 96; water, \$20,004 25; streets, \$13,856 22; public health, \$11,930 11; harbor, \$13,802 10; &c., &c. A table in the report specifies the expenditures of each department for ten years.

The *financial condition* of the city, as shown on the general balance sheet of December, 1866, was as follows:

LIABILITIES.		RESOURCES.	
Bonded or funded debt .....	\$612,000 00	Taxes not collectable 18,464 4—	112,995 33
General treasury warrants .....	245,000 00	Res'ces Local fund) ..	20,311 28
Gen'l fund liabilities .....	\$857,000 00	Worthless .....	4,504 00—
School prop'ry bonds .....	\$13,811 20	Tax certifica's unre-	
Local treasury war-		deemed .....	226,418 08
rants .....	171,906 98—	Interest .....	84,387 27—
Tax loan bonds .....	185,218 48	Property owned by city .....	697,060 00
	280,023 72	School houses, lots, &c. ....	281,970 00
Total liabilities .....	\$1,322,241 20	Total resources .....	\$1,468,487 88
Surplus resources .....	245,246 68		
Res'ces (Gen'l fund) .....	\$181,481 75		

The following compares the population, valuation, income and expenditures, debt, and the total liabilities and resources of the city in 1860 and 1866:

	Absolute		Per capita—	
	1860.	1866.	1860.	1866.
Population .....	81,129	96,473		
Valuation .....	\$30,262,373	\$34,267,700	\$373 01	\$360 89
Income .....	309,733	531,008	3 39	5 49
Expenditures .....	302,443	498,444	3 73	5 01
General debt .....	637,000	612,000	6 62	6 33
School and tax bonds .....	197,605	293,334	2 43	3 03
Total bonded debt .....	734,605	905,334	9 05	9 35
Total liabilities .....	1,011,079	1,222,628	12 46	13 05
Total resources .....	1,250,656	1,468,487	15 41	15 16

From this it appears that the valuation is lower in 1866 than in 1860 by \$12.12 per capita. In the meanwhile the expenditures have increased from \$3 23 to \$5 01, or 34.32 per cent. The funded debt is but a fraction higher. Considering the increased cost of labor and commodities, this result exhibits a rare instances of municipal economy.

## LIFE INSURANCE IN THE UNITED STATES.

The following table, compiled for the *MERCHANTS' MAGAZINE* by Mr. John Eadie, Secretary of the United States Life Insurance Company, of New York, exhibits, at a glance, the condition, number, date of organization, &c., of the Life Insurance Companies of the United States:

### LIFE INSURANCE COMPANIES.

Date of organ- izat.on	Name of Company.	No. Policies in force.	Amount insured.	Assets.	Place of business.	State in which the company is incorporated.
1866	Atlantic Mutual...	723	\$1,815,750	\$175,532	Albany.	New York.
1866	American Popular...	425	1,010,300	149,674	New York.	"
1860	Mass.	25 019	61,362,179	4,344,324	Hartford.	Connecticut.
1860	Am. Life & Trust.	7,970	12,033,900	1,516,461	Philadelphia.	Pennsylvania.
1868	American Mutnal.	1,602	2,720,250	474,482	New Haven.	Connecticut.
1864	Brooklyn .....	1,701	5,214,000	404,412	Brooklyn.	New York.
1861	Berkshire .....	2,375	5,418,075	677,893	Pittsfield.	Massachusetts.
1866	Continental .....	1,321	2,700,100	295,848	New York.	New York.

1847..Connecticut Mut'l	40,842	131,522,653	13,516,375	Hartford,	Connecticut.
1850..Charter Oak .....	11,550	29,045,548	2,580,049	"	"
1862..Continental .....	1,841	3,255,300	463,008	"	"
1865..Connecticut Gen'l	573	1,229,500	294,424	"	"
1859..Equitable .....	13,336	59,764,840	3,077,788	New York,	New York.
1866..Economic Mutual.	303	737,000	141,443	Providence,	Rhode Island.
1866..Franklin .....	189	885,700	32,973	Indianapolis,	Indiana.
1860..Germania .....	12,170	20,724,787	1,240,229	New York,	New York.
1864..Globe Mutual .....	4,410	11,626,218	800,122	"	"
1859..Guardian .....	5,301	11,660,880	740,418	"	"
1866..Great Western .....	410	1,191,700	179,633	"	"
1836..Girard Life & Tr. Es.	2,000	Est. 8,000,000	Est. 2,300,000	Philadelphia,	Pennsylvania.
1820..Home .....	8,376	17,624,736	1,231,673	Brooklyn,	New York.
1865..Hahneman .....	573	1,890,000	247,316	Cleveland,	Ohio.
1862..John Hancock Mut	2,692	6,601,923	534,874	Boston,	Massachusetts.
1853..Knickerbocker .....	8,171	24,380,565	1,579,245	New York,	New York.
1843..Mutual .....	26,430	120,381,061	18,495,507	"	"
1850..Manhattan .....	10,642	36,459,285	3,525,337	"	"
1851..Mass. Mutual .....	8,225	20,146,119	1,509,685	Boston,	Massachusetts.
1818..Mass. Hospital .....	75	37,000	561,169	"	"
1845..Mutual Benefit .....	26,739	92,843,251	11,655,739	Newark,	New Jersey.
1840..Maryland .....	Es. 1,000	Est. 2,500,000	Est. 500,000	Baltimore,	Maryland.
1865..Mutual, May 27, '67	1,221	2,500,125	272,044	Chicago,	Illinois.
1863..North America .....	7,460	18,459,992	1,566,406	New York,	New York.
1845..New York .....	20,847	60,420,375	7,009,092	"	"
1864..National .....	793	9,225,532	208,707	"	"
1844..New England Mut.	13,009	40,588,794	5,767,332	Boston,	Massachusetts.
1865..New Jersey Mut.	857	1,942,150	168,143	Newark,	New Jersey.
1859..North West Mut.	14,799	22,517,043	1,748,759	Milwaukee,	Wisconsin.
1830..N. Y. Life & Trust	181	596,650	1,921,272	New York,	New York.
1826..New York State .....	561	1,249,500	155,707	Syracuse,	"
1850..National .....	2,249	3,254,505	573,707	Montpelier,	Vermont.
1851..Phoenix Mutual .....	2,975	14,990,784	1,475,814	Hartford,	Connecticut.
1847..Penn. Mutual .....	2,458	10,654,240	1,697,730	Philadelphia,	Pennsylvania.
1865..Provid't Life & T.	543	1,889,400	205,623	"	"
1812..Penn Company for					
Ins. &c. ....	Est. 300	Est. 1,000,000	4,782,449	"	"
1862..Security Life and					
Annuity .....	5,722	12,126,550	757,396	New York,	New York.
1846..State Mutual .....	2,233	3,969,523	714,954	Worcester,	Massachusetts.
1826..Southern .....	299	1,639,500	229,539	Memphis,	Tennessee.
1858..St. Louis Mutual.	4,044	17,050,050	1,390,182	St. Louis,	Missouri.
1865..Travelers .....	684	2,060,450	30,372	Hartford,	Connecticut.
1850..United States .....	6,477	15,071,476	2,006,702	New York,	New York.
1865..Universal .....	1,716	4,674,290	314,023	"	"
1849..Union Mutual .....	9,073	20,387,095	2,181,429	Augusta,	Maine.
1820..Washington .....	2,757	15,017,092	727,129	New York,	New York.
1864..Widows' & Orph-					
ans' Benefit .....	2,180	6,580,084	530,229	"	"
1861..World Mutual .....	121	423,500	212,668	"	"
	349,222	\$966,864,895	\$106,997,543		

## ACCIDENT AND CASUALTY INSURANCE COMPANIES.

1865..Accident Insu. ....	Es. 2,000	Est. \$4,000,000	\$193,750	Columbus,	Ohio.
1865..Fidelity (cloing.) .....	33	156,100	107,571	New York,	New York.
1866..Hartford .....	86	238,125	119,810	Hartford,	Connecticut.
1866..National Travel's	8,087	21,945,000	247,300	New York,	New York.
1865..N. Y. Accid't (clo.)	3,671	24,000,000	285,873	"	"
1865..Provident Life &					
Investment .....	Es. 3,000	Est. 7,000,000	212,222	Chicago,	Illinois.
1865..Railway Passeng-					
ers' Insurance .....	3,200	8,994,000	294,101	Hartford,	Connecticut.
1863..Travelers .....	48,618	122,919,000	741,327	"	"
1864..U. S. Casualty .....	2,612	10,757,350	152,784	Trenton,	New Jersey.
1866..U. S. Ac'dnt (clo.)	5,387	19,210,000	195,994	Syracuse,	New York.
	81,644	\$319,151,645	\$2,551,433		

## FOREIGN LIFE INSURANCE COMPANIES, AMERICAN BRANCHES.

1820..Brit. Commercial	853	\$2,433,871	\$227,725	New York,	England.
1807..Eagle and Albion	450	2,110,075	233,557	"	"
1833..International .....	570	1,482,145	Est. 315,000	"	"
1836..Life & Pol. of Lon-					
don & Globe .....	292	1,172,147	1,331,811	"	"
1825..Royal Insurance.	642	1,364,425	526,193	"	"
	2,800	\$9,566,664	\$3,214,397		

**AGGREGATE OF LIFE, ACCIDENT AND CASUALTY INSURANCE IN UNITED STATES BY HOME AND FOREIGN COMPANIES.**

Life Insurance by Home Companies.....	319,323	\$366,864,895	\$108,907,473
"    "    Foreign    "    .....	2,809	9,566,664	3,314,397
	322,131	976,431,560	112,211,771
Accident and Casualty by Home Companies.....	81,644	219,151,645	2,551,468
Total Life, Accident and Casualty Insurance in U. S.	403,775	1,195,583,205	114,768,239

**NEW COMPANIES.**

			Capital.
1867..Arlington Mutual.....	Richmond.....	Virginia.....	.....
1867..Atlas.....	St. Louis.....	Missouri.....	.....
.....British General (Agency).....	New York.....	New York.....	.....
.....Baltimore.....	Baltimore.....	Maryland.....	.....
1867..Covenant Mutual.....	St. Louis.....	Missouri.....	.....
1867..Cincinnati Mutual.....	Cincinnati.....	Ohio.....	\$100,000
1867..Excelsior.....	New York.....	New York.....	125,000
1867..Empire Mutual.....	Chicago.....	Illinois.....	150,000
1867..Equitable.....	Des Moines.....	Iowa.....	100,000
1867..German Mutual.....	St. Louis.....	Missouri.....	.....
1867..Great Southern and Western.....	New Orleans.....	Louisiana.....	.....
1867..Home Mutual.....	Cincinnati.....	Ohio.....	100,000
1867..Hartford Mutual.....	Hartford.....	Connecticut.....	.....
1867..Kentucky Mutual.....	Newport.....	Kentucky.....	.....
1867..Morris Life and Trust.....	Pottsville.....	Pennsylvania.....	.....
1867..Ohio.....	Cincinnati.....	Ohio.....	.....
1867..Nashville.....	Nashville.....	Tennessee.....	.....
1867..North American Life & Accident.....	Philadelphia.....	Pennsylvania.....	500,000
1867..National Life and Health.....	Kalamazoo.....	Michigan.....	500,000
1867..Southern Life Assurance & Trust.....	Mobile.....	Alabama.....	1,000,000
1867..Southern Mutual.....	Columbia.....	South Carolina.....	.....
1867..Union Central.....	Cincinnati.....	Ohio.....	100,000
1867..Western.....	Cincinnati.....	Ohio.....	.....

**CHESAPEAKE AND DELAWARE CANAL.**

This work is cut through the neck of the Chesapeake—Delaware peninsular and has a length of 12.63 miles (66 feet wide and 10 feet deep), with three locks (220 by 24 feet) overcoming a total rise and fall of 32 feet.

The principal features of the business of the Company for the five years ending May 31, 1867, are shown in the following statement:

	1863-63.	1863-64.	1864-65.	1865-66.	1866-67.
Passages.....	14,293	15,417	12,811	11,496	12,137
Tonnage.....	674,305	738,670	916,973	729,918	726,666
<b>Freights:</b>					
Coal..... tons.....	176,773	217,948	360,761	268,337	361,573
Lumber..... 1,000 sq. feet.....	59,600	57,741	33,597	23,665	4,935
Timber..... 1,000 cubic feet.....	4,034	5,309	7,037	4,723	4,770
Grain..... 1,000 bush.....	2,333	1,341	866	706	1,534
Flour..... barrels.....	189,104	207,005	167,850	121,523	112,621
Groceries..... tons 2,000 lbs.....	19,943	33,335	33,710	30,528	26,828
Dry goods..... tons 2,000 lbs.....	10,078	9,999	7,836	8,787	9,879
Iron..... tons.....	42,080	37,760	26,000	24,880	41,636
Oysters..... tons.....	17,909	23,008	21,630	12,737	11,843
Tolls.....	\$ 293,124	369,113	424,312	350,940	346,197

The passages in 1866-67 were as follows:

	Steamers.	Barges.	Sail vessels.	Rafts.	Total
Going West.....	235	2,420	1,914	.....	5,569
"    East.....	999	2,505	2,340	1,007	6,851

Of the coal forwarded in 1866-67, there was forwarded Eastward from the Pennsylvania canals 63,798 tons of semi-anthracite, shipped South from Philadelphia (Schuylkill region) 92,823 tons anthracite, and East from Cumberland re

gions, *via* canal to Washington, and *via* railroad to Baltimore, 224,951 tons bituminous.

The financial condition of the company on the 1st June, 1867, is shown in the following table :

Capital stock (including issues from cancelled loan).....	\$1,818,968 50
Mileage loan, due in 1886 .....	2,354,000 00
<b>Total</b> .....	<b>\$4,072,968 50</b>
Cost (including old feeder, (110,925) .....	\$3,364,975 91
Held by Trustees—stocks and bonds .....	240,511 03
Contingent fund—stocks and bonds .....	51,800 00
Dividend fund—cancelled loan, real estate and cash.....	405,675 56
<b>Total</b> .....	<b>\$4,072,968 50</b>

The company last year paid a dividend of 3 per cent., and had an available remainder of \$83,624 35. It is proposed now to pay regularly semiannual dividends.

### PROPOSED PROHIBITION OF RAILROAD EXPANSION.

The action of the Constitutional Convention at Albany in prohibiting the consolidation of railroad companies with a combined capital of \$20,000,000, is a matter deserving the earnest consideration, not only of the business community, but of the public at large. The alleged object of those who supported this important change in the organic law of the State, was to check the accumulation of capital in the hands of corporations, which might abuse their privileges and increased power to the detriment of legislative independence, and to the prejudice of the interests of the people of the whole State. It was urged in support of the proposition, that the great railroad combinations in New Jersey and Pennsylvania have proved injurious to industrial progress, and that they exercise a controlling influence upon the action of the respective legislatures. On argument it was stated that the sale of the Pennsylvania canals to the railroad companies actually resulted in an increase in the cost of passenger and merchandise transportation contrary to the conditions of sale, the companies being able to purchase the legislature, and thus prevent any action against them for breach of contract. Hence it was argued that the delegates should by their action prevent the organization or consolidation of great corporations, whose influence might endanger the purity and independence of the Legislature of this State.

It is almost inconceivable that so intelligent a body as the Constitutional Convention, should have been led by such reasoning to resort to the unusual expedient of special legislation to check the expansion of a particular branch of industry. If industrial undertakings are to be narrowed down to a point below legislative corruptibility, then there will be an end to progress. It is obvious that the adoption of this principle would lead to the most serious embarrassments in every department. For the charges of corruption to which certain legislatures of this and other States have rendered themselves liable are by no means limited to railroad transactions. Besides, the argument is too sweeping; the fears of the Convention are groundless. There is a point beyond which even a corrupt legislature will not dare to go; as they have to look to

the people for their election, on great questions of public interest they are not generally for sale. It is hardly necessary to point to any other circumstance in illustration, than the continuing of the fare on the Central Railroad at two cents per mile during the whole of the war period. A large majority of the people desired to ride at a cheap rate, and, therefore, the legislature refused to raise the fare, although wages and railroad material were doubled in price, and every consideration of justice and good sense demanded that the railroad should be permitted to charge a higher rate. But, in addition to all this, it should be remembered that the power really always remains with the people of the State. They reserve the right to amend all charters—to cut down prices, to limit profits, in a word, to cure all abuses. Under such circumstances what have we to fear? A corporation might have great influence for a time; but were it to abuse it, it would very soon be crippled by the people. We have great faith in the American public; diseases may develop themselves, but the curative power is always inherent in an elective government.

The grand question, however, not only for the people of this city and State, but for the whole Northwestern and Atlantic States, is the means of transportation of the surplus produce of the West to the seaboard. The Empire State lies directly in the track of this vast commerce, and all existing modes of transportation are utterly inadequate for the purpose. Even now we need not only two or three, but may soon require a dozen lines of direct railroad communication between this city and the heart of the great grain region. The principal objection then to the action of the Convention is that it ties us up, and prevents us from competing with other States for this rich commerce. Baltimore, Philadelphia and Norfolk are placed at an advantage. A cheap twenty million dollar railroad will not reach from the prairies to New York; and if the proposed constitutional prohibition should become a law, we must relinquish the contest for commercial supremacy. And yet beyond this special injury to the State, it will be of still greater detriment to the whole northwest, whose interests require all the avenues to the seaboard capital can give them.

Our railroad system has outgrown the local wants for which it was devised. Nearly all the great lines to the West are formed by the consolidation of old railroad companies and the construction of a few missing links. The New York Central, for example, which has proved so advantageous as an outlet for the West, is, as all know, a consolidation of old lines which formerly worked with little concert of action or harmony. It is obvious that if this great highway were broken up and divided into sections, each under different management, that it would operate most injuriously to the interests it now serves. The capital stock of the New York and Erie Railroad is \$25,000,000. Yet this and other railroad companies are to be precluded from increasing their accommodations and extending their facilities!

There is less reason for this limitation, or, we should rather say, there are more objections to it at the present time than there were a few years since. And there will be still more cogent reasons against it in the future. The time was when direct railroad travel from New York to Albany and Buffalo was regarded as grand achievements. We have got beyond all that now. We require direct railroad transportation, without break of

bulk, not only from this city to Chicago and the Mississippi, but also to the Pacific Ocean. The tendencies of the times are all in favor of the consolidation and centralization of capital for industrial enterprises, and it is difficult to see how or why these tendencies, when manifested in the direction of railroad enterprises—upon which all modern commerce depends—should be checked by legislative enactments. Our industrial undertakings must be on a larger, on a continually increasing scale, as the industries of the country continue to develop.

But we are told that there can be unity of action without consolidation. Most certainly, a person may travel from New York to Omaha and have his baggage checked even if he passes over twenty roads. But is it not self evident that there will be more to overcome to bring about this unity than if one board of directors controlled the entire route? In freight matters union is particularly difficult. The question of charges, of liability for losses, in fact a division of interests in almost every particular arises. The one subject of separate liability would always control with forwarders, (other things being equal) leading them to give preference to the route where there was no division. Then, too, the freight must be carried through without change of cars. But above all we should remember that one management can be more economical than twenty. This is an extremely important element, as it permits lower freights to be charged, and a saving secured in bringing the produce of the west to the seaboard. In a word there seems to us to be no room for argument on this point. The advantages of consolidation are very great—in fact, every day in the development of the country will the importance of through routes under the control of one direction increase.

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#### PUBLIC LANDS OF THE UNITED STATES.

The Hon. Joseph S. Wilson, Commissioner of U. S. Land Office for 1866, has made a report from which we have prepared the following.—He claims that prominent among the indications of the growth and prosperity of the republic is the gradual expansion of actual settlements over the immense fields of the public domain. Our liberal system of land legislation has extended, and still continues to afford facilities for opening new farms, founding new cities, holding out incentives for immigration from the crowded capitals of the elder States and from abroad by stipulations for the acquisition of real estate, either agricultural or city property, on terms so easy as to enable the industrious to secure homesteads almost at nominal rates. That system founded by the illustrious statesmen of the Revolution has been enlarged under the lights of experience to meet the wants of increasing millions of settlers by successive legislative acts, from the ordinance of 1785 for the disposal of the public lands to the legislative enactments of the year 1866. It has not restricted its benefits to merely opening rich and boundless fields to individual settlement; investing title in local communities for school purposes in every township of six miles square; in giving means for the endowment of seminaries of learning and universities; but it has made concessions, on a stupendous scale, for



internal improvements, for opening ordinary roads, for spanning the North American continent with railways, and still further, in meeting the wants of diversified localities by liberal provisions for works of this class to connect centres of trade, and afford rapid means of intercommunication.

The landed estate of the Union is the great inheritance of the American people. How was it acquired, and what is its extent?

The people of the United States, in emerging from the war of independence, were the holders of extensive regions of country falling within the out-boundaries of the United States, as acknowledged in the definitive treaty of peace in 1783 with Great Britain. These rear or western lands were claimed by several States on the Atlantic, on the ground of exclusive title, in some cases from ocean to ocean, and in others to an indefinite extent in the wilderness.

These conflicting interests gave rise to controversies and discord. The State of New York, now the centre of trade and affluence on this continent, destined in her career of prosperity to reach a pinnacle of greatness second to no commercial power of the globe, readily yielded her claim to the undefined territory, and, responding to the appeals of the revolutionary Congress, all other like adverse interests were surrendered, whereby the proprietary title of the United States to these western lands became absolute and complete.

The United States held no public lands in any of the original thirteen States, except for public uses, fortifications, arsenals, light-houses, and dock-yards. Vermont was not a party, as a State, to the Union of 1776, her territory having been claimed by New York and New Hampshire, but was admitted as a State in 1791, while Maine, which had been claimed and governed by Massachusetts, did not enter the Union until 1820.

Kentucky was originally part of the Territory of Virginia, but in 1792 was admitted, having no public lands within her limits. Tennessee, which formed a part of North Carolina, became a State of the Union in 1796, but the general government now holds no public lands within the limits of that State, the same having been relinquished by acts of Congress.

Excluding the area of all the States above mentioned from the surface of the republic as it existed in 1783, with limits extending from the northern lakes to the thirty-first degree of latitude, and from the Atlantic to the middle channel of the Mississippi, the residue constitutes the public lands of that year, equal to about 354,000 square miles, or 226,560,000 acres.

The whole of this area, every acre of it, has been completely surveyed, and the field-notes recorded, while accurate plats have been protracted exhibiting in legal subdivisions the entire surface, and all in exact accordance with the rectangular system. That system stands in marked contrast with irregularities as to *form* in the landed estate of the parent country, in which, although under the direction of men of exalted science, a cadastral survey, after the lapse of centuries of civilization, has not yet been completed, it having been estimated in 1863 that it would require an appropriation of £90,000 sterling a year, for twenty-one years, to extend such survey over the whole of the British islands.

Having thus shown the extent of our public lands as originally acquired, it is now in place briefly to trace their extension to the present limits.

By the treaty of peace in 1763, between England, France, and Spain, it

was agreed that the western boundary of the Anglo-American colonies should be fixed "irrevocably" by a line drawn along the middle channel of the river Mississippi, thereby relinquishing, in favor of France, all the territory claimed by the latter in the region west of the Mississippi.

This line consequently was received in 1783 as our western boundary, but within twenty years thereafter, a greater statesman (Mr. Jefferson) than the king who had acceded to this restriction took means to strengthen our claim to the region beyond the Rocky Mountains, by restoring to us the important link of continuity westward to the Pacific, which had been surrendered by the treaty of 1763. He considered it coincident with the public law, particularly in view of the American discovery, in 1792, of the mouth of the Columbia, to order an exploration of the Missouri and its branches to their sources, so as to trace out to its termination on the Pacific some stream "which might offer the most direct and practicable water communication across the continent for the purposes of commerce."

This measure was originated before the ratification, on 31st October, 1803, of the treaty whereby the French republic ceded to us the ancient province of Louisiana.

The Florida cession of 1819 from Spain followed, and then the admission of Texas in 1846, retaining her public lands. The treaty of that year with England, and the Mexican cessions of 1848 and 1853, completed our south-western limits on the Gulf, the Rio Grande, thence westward to the Pacific, and giving us frontier on that ocean and Puget Sound of one thousand six hundred and twenty miles; said cession of 1848 adding to the sea line we had on the Gulf of Mexico, under the Spanish cession of 1819, four hundred miles of coast, extending from the mouth of the Sabine to the Rio Grande, thus making our sea-coast line on the Atlantic, Gulf of Mexico, and on the Pacific, equal to five thousand one hundred and twenty miles.

By these important acts the public lands have been increased in extent nearly seven times their area at the close of the last century, and are now seventeen times the surface of the kingdom of Prussia, including her territorial increase growing out of the recent war with Austria.

They are in still larger ratio greater in area than England, Wales, Scotland, Ireland, including the Channel Islands and the other British European possessions.

The area of our domain was estimated some years ago at upwards of 1,450,000,000 of acres, but is now found, by calculations based on more specific data, to equal 1,465,468,800 acres.

The soil of the flourishing States of Ohio, Indiana, and Illinois, once a part of the national territory, has nearly all passed into individual ownership. The undisposed of portions of the public domain, in greater or lesser extent, exist in the northern regions of the Lakes Huron, Michigan, and Superior; in the southern, east of the Mississippi and fronting on the Gulf of Mexico; in the tier of States having that river as an eastern boundary, and still further westward in all the other political communities, States, and Territories, stretching to and over the Rocky Mountains, the Cascades, and Sierra Nevada, extending to the Pacific slope, with that ocean as a frontier, and the rich mineral State lying immediately east of and adjacent to the two great States of the Pacific.

What is the system, founded in legislation, by which this half conti-

ment is so dealt with and required to be administered that our own people and immigrants who propose to enter the American family can secure rights to settlements with complete, absolute, and indefeasible grants?

It is by the establishment, in the first instance, of surveying departments, now ten in number, with sixty-one land districts, each, when in operation, having a register and receiver to file applications, and take the steps required by statutory provisions as preliminary to the acquisition of inceptive and complete title.

In our present system of surveying the public lands, the lines under the first ordinance started from eastern Ohio; afterwards advanced into the old Natchez settlement, in the present State of Mississippi, and now penetrate to the southernmost cape of Florida, sweeping around the Pacific coast, from San Diego to the Straits of Fuca. Ever growing and extending, they now cover an immense surface. This was not the work of a single period, but of years of congressional legislation, and anxious and patient thought on the part of those from time to time intrusted with the execution of the laws.

It is a subject of interest to trace the progress of the improvement of the system since the treaty of Grenville, of 1795, the first public act by which the Indian title to lands northwest of the Ohio river was extinguished.

For the better regulating the surveys, as well as for convenience of description, meridian and base lines were found necessary, and accordingly instituted and established by law. In later years, particularly since the act of reorganization in 1836, the General Land Office has had direct and full control of the surveying departments. The surveying service since the act of reorganization has taken rapid strides forward in the way of improving the system in all its branches, by the selection of the peaks of the highest mountains as initial points of base lines and meridians.

As the convergency of the meridians must exist, and it is impossible to make ordinary measurements mathematically correct, on account of the inequalities of the earth's surface, and the imperfection of instruments, it is not the practice, as in early times, to rely upon a single meridian and base line to check the surveys, but what are called guide meridians and correction lines or standard parallels have been instituted, which are all run as nearly as human skill can effect it upon true meridians and parallels of latitude.

This system, in perfect accordance with the sphericity of the earth, secures uniformity and beauty in our surveys, particularly over a large surface, which by any other method it would be impossible to attain.

The system adopted for guide meridians is to run them at convenient intervals, making offsets at each standard parallel equal to the convergency, which may be readily calculated and offsetted, even in advance of the survey of the standard parallels. Those parallels are run from the meridians and guide meridians, upon true parallels of latitude; one for every four or five townships in the high latitudes, as in Oregon and Washington, and from six to ten townships in the lower latitudes, while a set of township and section corners of the legal width, of six miles for each township, and one mile to each section, are marked and established thereon, without reference to the closing lines and corners of the townships and section lines south of the parallel, so as to take up and thus arrest the

convergence of the meridional lines of the surveys, inevitable in running from one standard parallel to the next succeeding one.

These delicate and widely extended operations require not only a theoretical knowledge of astronomical science, but also a practical acquaintance with all the instruments employed in field operations by the surveyors general, who have the direct control of them.

Among the most important surveying duties is the marking in the field of the lines and corners of the surveys in a distinct and durable manner.

These marks, when identified as the originals, placed there by the sworn deputy surveyor of the United States, constitute in fact the survey, taking precedence over field-notes, official plats, or any like evidence, controlling all future proceedings in re-survey, and respected accordingly in proceedings affecting title before the courts of the country.

The surveying laws and our system presuppose that occupants and others desiring to obtain titles from the Government are to have every facility in selecting and taking possession of the tracts they may purchase, and that in conforming their improvements to the marks they may find on the grounds, they may do so with the full assurance of their correctness, and that they cannot be disturbed by any future surveying operations.

Hence by the second section of the act of February 11, 1805, the corners and boundaries returned by the surveyor general are confirmed, and required to be taken and considered as the true corners and boundaries, and of these the field-notes and plats are merely the recorded description.

This system, so complete in itself, so simple and certain in fixing the lines upon the earth's surface, not only of town lots, but of agricultural lands, from 640, 320, 160, 80, and 40 acre tracts, has accomplished its work in Ohio, Indiana, Illinois, Michigan, Wisconsin, Iowa, Missouri, Arkansas, Mississippi, Alabama, and nearly so in Louisiana and Florida.

In those States are to be found climate, soil, and products equal to the wants and comforts of civilized man—cereals, esculents, and fruits in abundance, in the higher and in the middle latitudes, with the addition of the staples, tobacco and corn; while still further south are the cotton fields and sugar-cane, the orange, citron, and lemon.

Although the lines of the public surveys have been thus established, the system has yet further to advance upon the fields of Minnesota, northern and southern Dakota, in Montana, Kansas, Nebraska, Colorado, the Territories of New Mexico, Arizona, Utah, Idaho, Washington, and in the three great States, Nevada, Oregon, and California.

#### PRE-EMPTION LAWS.

The spirit of those enactments, first manifested in 1801, though checked three years afterwards, was developed in sixteen different statutes during the intervening period of forty years, and until 1841, when the prospective pre-emption acts of 1841 and 1843 were incorporated into our land legislation as a permanent policy, those laws reaching surveyed lands, offered and unoffered; later legislation extending the privilege to unsurveyed lands, with exceptions, from the Mississippi to the Pacific.

Then by the act of 3rd March, 1853, preference rights attach to alter-

nate even-numbered sections along the lines of railroads where settled upon and improved prior to final allotment of the granted sections, and to lands once covered by French, Spanish, or other grants declared invalid by the Supreme Court of the United States.

By act of 27th March, 1854, persons are secured in lands withheld for railroads where their settlements were made prior to the withdrawal from market.

The municipal town site law of 1844, the pre-emption provisions in the graduation act of 1854, gave way, the former to the town property and coal land legislation of 1864, 1865, the latter to the homestead statutes of 1862, 1864, 1866—the law of 30th May, 1862, intervening in regard to pre-emption and other important interests.

Property in land is among the first institutions of the State; its visible sign, the transformation it effects on the soil affording notice to others of the use of the tract appropriated, the settler identifying himself with it by the labor of his hands, and individualizing the same, as it were, by his own efforts.

In the progress of the system, which has conferred signal benefits upon settlers and the whole country, it is found that amendatory legislation is desirable to fix certain periods of limitation for consummating interests, and to generalize and give it greater efficiency. To this end, it is suggested that, in the case of settlements existing upon surveyed unoffered land, the settler shall, in all cases, file within three months from date of settlement, and establish his claim and pay up within twelve months from date of settlement; that where actual settlements may hereafter be made upon unsurveyed territory, the claimant, within three months after receipt at the district office of the township plat, shall file declaratory statement, and within twelve months thereafter prove up and pay for the tract; that there shall be a period of limitation fixed, within which appeals may be taken from the decision of the register and receiver and from that of the commissioner, and that where a right is initiated under the pre-emption laws it must in all cases, with limitation as to time, be consummated under those laws.

A legislative requirement to this effect would render each system, pre-emption and homestead, independent of each other, leaving them to work out their beneficial results without conflict, the settler always having the right, in the first instance, of choosing for himself under which of these systems he will make his settlement.

#### HOMESTEAD LAW.

The purpose of this measure is to hold out incentives for immigrants to identify themselves with the broad fields of the West, and secure their labor for such a period in the strength of manhood or maturity of life as will insure stability in settlements, development of arable resources, and steady increase of agricultural wealth.

This great original measure should stand unimpaired in its full vigor, and its results will continue to increase the producing power of the country. It has also been suggested whether the privilege should be enlarged by opening up unsurveyed lands to its operation.

We have large quantities of surveyed lands which are undisposed of, it

being the practice, as indicated in the foregoing, only to advance the lines where settlements are extending on arable lands. These fields, in genial climates and inviting localities, are now freely open to homestead settlements. We have surveyed acres enough to meet the demands of the multitudes that may settle upon them, each individual having the means of appropriating to his own use a farm marked out at large cost, and established with professional precision at public expense. A wise, liberal, munificent Government offers to every citizen, and to those who have taken the requisite step to become such—to the poor, the rich, all alike, a farm of liberal dimensions, and all at nominal prices, with the sole stipulation of five years' continuous settlement from date of entry. The labor called for is designed to operate directly to the advantage of the settler in making for him a comfortable home, and indirectly to the benefit of the country by adding to the aggregate wealth and prosperity of the republic. When the labor thus required is done, then the settler will get a fee-simple for 160 acres.

In well-settled communities an eighty-acre tract, well worked, is a handsome competence, so that, at the end of the five years' toil, the original settler may sell one-half of his tract, retain his farm, and in this way increase his active means, while in the progress of time and events, proceedings, under the impulse of necessity or interest, would lead to a duplication of the farms, and corresponding labor increase on the present surveyed domains.

In favoring measures that will concentrate settlements we give strength to local communities, and as the surveyed fields fill up, the surveyor, instruments in hand, will advance onward to establish his lines to meet increasing requirements.

The question has been raised in behalf of settlers whether a person who has availed himself of the benefits of the homestead, and pays for his claim under the eighth section of the act, can thereafter enter other land under pre-emption, provided he has never had the benefit of the latter statute.

On this point it has been ruled that where a party legally entitled makes an entry under the homestead law of May 20, 1862, and thereafter, at any time before the expiration of five years, shall come forward, make satisfactory proof of his actual settlement and cultivation to a given day, and then pay for the tract, the proceedings merely consummate his homestead right as the act allows; the payment being a legal substitution for the continuous labor the law would otherwise exact at his hands.

A claim of this character is not a pre-emption, but a homestead, and, as such, will be no bar to the same party acquiring a pre-emption right, provided he can legally show his right in virtue of actual settlement and cultivation on another tract at a period subsequent to the consummation of his homestead.

Cases have arisen where persons have made homestead settlements on unsurveyed tracts, and who, after the lines are established, find the premises falling in two different land districts.

The law restricts such settlements to *surveyed* lands, and hence, prior to survey, no rights attach under the statute. Then, as the law authorizes only *one* entry to be made by the same person, it is necessary for the party seeking the benefit of the statute to make the selection of his whole farm within one and the same land district. To entitle an applicant to enter

an adjoining tract for the use of a farm, he must both *own* and occupy the *original* farm tract.

In regard to certain classes of contests which have arisen for entries under the homestead, it has been ruled that where two persons apply at the same time for a tract on which neither has settlement and improvements, it must be awarded to the highest bidder—that is, to the party who will pay the highest price for the privilege of entering.

If two parties apply at the same time for a tract on which one of them has actual settlement and improvements, and the other has not, it must be awarded to the former, because it is not the policy of the system to allow one man to appropriate to himself the improvements resulting from the labor of another.

If a tract is simultaneously applied for by two persons, each having settlement and improvements on the same, an investigation is ordered, and if it is found that one has precedence by reason of prior actual settlement and substantial improvements, so as to be notice on the ground to any competitor, the award of entry will be made accordingly; but if neither has such substantial interests, the tract must be conceded to the highest bidder.

In reference to settlements on odd-numbered sections within the limits of withdrawals under railroad grants, the department in June last ruled that the homestead settler's right attaches only from the date of entry, the pre-emptor's from the date of his actual personal settlement. The title in either case is to be consummated by a full compliance with the terms and conditions imposed by law. The grant in aid of the railroad does not embrace lands to which a valid right arising either under the homestead or pre-emption had previously attached; but if such right be abandoned or forfeited, the grant would immediately thereafter take effect; that a pre-emptor cannot change his claim to a homestead entry so as to defeat the right which may have inured to the railroad company before the individual entry was made. If a pre-emption settlement had been commenced upon surveyed lands, it might be entered as a homestead before the right of the company attached, but not at a subsequent date. This ruling has been duly communicated for the government of the district land officers.

CITIES AND TOWNS ON THE PUBLIC LANDS, ACTS JULY 1, 1864, AND  
MARCH 3, 1865.

Since the passage of the act of July 1, 1864, "for the disposal of coal lands and of town property in the public domain," proceedings have been initiated to obtain title to the lots lying within the limits of the following towns and cities founded on the public lands, to wit: Petaluma, Mountain View, and Vallejo, in California; Gold Hill, Mineral City, Empire City, Virginia City, American City, Genoa, Washoe, and Austin, in Nevada; Prescott and Colville, in Arizona; Mount Vernon and Pueblo, in Colorado; Otoe, in Nebraska; Yankton, in Dakota; and Warm Springs and Stockton, in Utah.

Some of these municipalities are thriving marts of trade, having had existence as corporations since 1851, containing a population at the present time of several thousand inhabitants.

In some few the proceedings to obtain title to lots are vigorously conducted; while in most of them, only the first steps have been taken. This is owing to some extent to an imperfect understanding of the law on the part of many, and partly to delays always incident to proceedings under an entirely new enactment.

Pursuant to the act of May 23, 1844, the United States made title for the entire site of any town or city to the corporate authorities thereof, or the judge of the county court, in trust for the benefit of the inhabitants of the town or city, according to their respective interests, and confided the execution of the trust, as to the disposal of the lots or the proceeds thereof, to the legislative authority of the State or Territory in which the same might be situated.

The act of July 1, 1864, repealed the act of 1844, and provides for making title by the United States, to the several lots embraced in any town or city, directly to the purchasers or occupants of the same.

Under the act of 1844, a town site was limited to a maximum of 320 acres, and the price was the usual minimum of \$1 25 per acre. According to the act of 1864, the maximum for a site is 640 acres, and the minimum price \$10 each for lots not exceeding in area 4,200 square feet.

The supplemental act of March 3, 1865, removed these restrictions as to the size of sites and lots in reference to all towns or cities existing at that date on the public domain, and provided for making title to the same, of such area as they actually possessed at the passage of the act; the minimum price of lots exceeding in size 4,200 square feet to be subject to such reasonable increase as the Secretary of the Interior might establish.

In pursuance of the authority thus given, the Commissioner of the General Land Office, under the direction of the Secretary, by circular dated October 20, 1865, prescribed the following minimum prices, to wit: For each lot containing over 4,200 square feet and not more than 12,600 square feet, eighteen dollars; for each lot containing over 12,600 square feet and not more than 16,800 square feet, twenty dollars; and for larger lots the price to be increased two dollars for every additional 4,200 square feet.

In the case of out-lots in any such city or town the minimum of such out-lots to be ten dollars for the first acre and five dollars for each additional acre in such lot.

Instructions have been issued by this office to the registers and receivers of the various land districts, explaining the provisions of these acts, and it is believed they are now generally understood.

By the act of July 1, 1864, it is "provided that any actual settler upon any one lot as aforesaid, and upon any additional lot in which he may have substantial improvements, shall be entitled to prove up and purchase the same as a pre-emption, at said minimum, at any time before the day fixed for the public sale."

The registers and receivers of the local offices have been instructed that, under this proviso, any actual settler may pre-empt the lot upon which he resides, with *one* additional lot upon which he has substantial improvements; that no more than two lots can be pre-empted by any one settler; and that the persons claiming the benefit of this proviso must be actual residents of the town or city in which the lots claimed may be situated,



and must have the personal qualifications required by the general pre-emption laws.

The General Land Office holds that this limitation is clearly to *one* additional lot, and no more; that, had the legislative mind intended otherwise, the word *lots* would have been used instead of *lot*, as it now stands in the statute, but that the department will, in cases where expensive municipal or business improvements, as mills, warehouses, furnaces, machine shops, &c., are shown to exist, take care that no such interests shall suffer by the intrusion of an adverse claim, or purpose to purchase to the prejudice of the owner of such interest, such protection of course to be subordinate to the requirements of law in regard to public sales.

The substantial improvements for the purposes contemplated in this statute are understood to mean permanent buildings or works for municipal use; a mere enclosure by temporary fence for gardening or other incidental use not being considered as satisfying this requirement of law.

In some sections of the country cases of hardship have arisen under the provisions of the statute, and particularly on the Pacific slope, where some of the towns, the claims of which are pending under the acts of July 1, 1864, and March 3, 1865, have considerable population and are located upon old Mexican or Spanish grants but recently declared to be invalid, and where it is represented that many persons own more than two lots each, purchased oftentimes at great expense, and containing valuable improvements, upon which the claimants have paid taxes and received rents for many years, without any question ever having been raised as to their title.

It is claimed that to limit such persons to a pre-emption of but two lots, and to expose to sale other lots worth oftentimes thousands of dollars, and compel them to purchase the second time at their market value, or even to suffer them to pass into other hands without the consent of those who had held them under a title recognised as valid, in many cases for more than fifteen years, would be an act of great injustice.

It is also contended that in most of the new towns of the West, many of the lots and improvements are owned by persons residing elsewhere; that many of the miners in the western Territories purchase lots in the neighboring towns with the view of making their future residences upon them; and that where none but actual *residents* are allowed to pre-empt lots they must necessarily suffer loss, which in mining towns is oftentimes considerable, unless provision is made, which is recommended, to relieve this particular class of cases, and also to relieve the class possessing more than two lots, where the excess lot is covered by valuable improvements.

The aforesaid act of 1864 declares that where parties have founded or may desire to found a city or town on the public lands, it shall and may be lawful "for them to cause to be filed with the recorder for the county in which the land is situated a plat thereof for not exceeding 640 acres, describing its exterior boundaries," giving the name of the city or town, and exhibiting the streets, squares, blocks, lots, and alleys, the size of the same, with measurements and area of the municipal subdivision, the statement of the extent and general character of the improvements, the map and statement to be verified under oath by the party acting for and in behalf of the persons proposing to establish the city or town, and within one month after the filing there shall be transmitted to the General Land

Office a verified transcript map and statement, accompanied by the testimony of two witnesses, that such city or town has been established in good faith.

It is further required that the exterior lines of the whole city be run and *established by actual survey*, to be perpetuated by permanent visible objects, and said actual lines by a scientific surveyor must be shown on the map with the exact measurement of the exterior lines, and also of the municipal subdivisions as specifically designated in the statute.

The verified manuscript map is required to be sent to this office with an authenticated copy of the field-notes of survey. The map of survey must also be accompanied by the sworn statements of the parties as "to the extent and general character of the improvements," and with it should be transmitted a general map of the region, indicating the locality of the town site as near as possible to some prominent place in the geography of the country.

A point has been made as to the hardship of requiring municipal settlers to pay the cost of survey, while non-residents are permitted to purchase within the limits of a town who may not have contributed to the payment of the expense of such survey. This objection is obviated by restricting the survey to the area applied for by the settlers; yet should there be surplus lots not claimed, the sale of them would enhance the value of the settlement, as increase of population is increase of the productive power, thereby offsetting any inconsiderable outlay originally incurred in founding the city.

#### COAL LANDS.

The act of July 1, 1864, "for the disposal of coal lands and town property in the public domain," confers authority for offering at public sale to the highest bidder, in suitable legal subdivisions, portions of the public domain embracing coal beds or coal fields at a minimum price of twenty dollars per acre, any lands not thus disposed of to be thereafter liable to private entry at that minimum.

The supplemental act of March 3, 1865, provides, in the nature of a special pre-emption, for entering coal lands at that minimum, in quantities not exceeding one hundred and sixty acres, by citizens of the United States, *bona fide* engaged at the date of the act in the business of coal mining on the public lands, for the purpose of commerce.

A few entries of coal tracts have been made in California, in the counties of Contra Costa and Alameda, under the supplemental act of March 3, 1865, and are now undergoing official examination.

The coal of these mines is said to be excellent, and the market demand for it unlimited. It is quite apparent, however, that there are many places embracing coal beds and coal fields where the supply of coal is neither so extensive nor the quality so good, yet in which the scarcity of timber for fuel, and other causes, will lead to its being mined for the purposes of commerce. There are doubtless mines of this character which were thus worked at the date of the supplemental act, the claimants of which have taken no steps to enter them pursuant to that law.

Whilst the lands subject to entry under these acts are of every variety of value, from the best coal lands, in convenient localities, to those of the most inferior quality, in almost inaccessible places, the minimum at which

the same may be entered is fixed by the act at the same sum. It is worthy of consideration whether an amendment providing for the reduction of the twenty-dollar minimum might not be productive of good in cases where the veins of coal are thin, the quality inferior, or the labor of extracting it unusually great. This might be done by vesting power in the head of the department for making such reduction, where the facts in his judgment would justify.

The better to carry into effect the act of July 1, 1864, this office, on the 20th of August following, issued instructions to the surveyors general, and the registers and receivers of the different land districts, requiring them to institute proper inquiries as to the mineral character of the lands in their respective districts, to ascertain what tracts come within the meaning of the terms "coal beds" or "coal fields," and to report results.

On the 20th of April, 1865, further instructions were issued as to proceedings under the supplemental act of March 3, 1865. It is found that the information called for as to the quantities of land embracing coal beds or coal fields in the respective land districts can be but imperfectly furnished through the instrumentality of officers whose time is absorbed with other duties; yet from reports received, and other reliable sources, it is ascertained that coal is distributed in the public domain in large quantities. In Michigan, Ohio, Indiana, Illinois, Missouri, Iowa, and Alabama, its existence has long been known, and in many places it has been extensively mined for commercial purposes. In Arkansas, Louisiana, Kansas, and California, numerous deposits of a superior quality have been discovered, whilst in Nevada and Oregon, and in the Territories of Washington, Idaho, Montana, Utah, Colorado, Dakota, New Mexico, and Nebraska, coal traces have been found within the last few years, indicating an abundant distribution. The coal field of Iowa and Missouri, passing through the eastern portions of Nebraska and Kansas, and the western part of Arkansas, extends diagonally through Texas and enters the republic of Mexico. The western limit of this extensive field is reported to lie about the 97th degree of west longitude, where the limestone formation is succeeded by the red saliferous sandstone. East of this meridian, in the extensive limestone formation, the great mineral coal measures occur, covering large portions of the States of Iowa and Missouri on the west of the Mississippi, and Illinois, Indiana, Ohio, and other States on the east of that river, and appearing in numerous traces in the regions bordering on the Nemaha, the Neosho, the Arkansas, and Canadian rivers.

Beyond the plains, along the base of the Rocky Mountains, and extending from the northern limits of New Mexico, through Colorado, and north of it to the Canada line, passing through Idaho, Oregon, and Washington, are the tertiary coal measures of the United States, containing many varieties of brown coal, useful not only for the ordinary purposes of fuel, but much of it excellent for steam navigation purposes.

These deposits are destined to be of immense importance in the future settlement of those extensive regions. Evidences are already quite numerous of its distribution in inexhaustible quantities along the headwaters of the Missouri, the Yellowstone, Big Horn, Powder, Platte, Greene, Columbia, and Willamette, and their tributaries. Bituminous coal of excellent quality exists in the Raton Mountains and other parts of New Mexico, in Nevada, and in Utah.

As the public surveys and settlements advance and increase in the now unsurveyed lands of the United States, the wants and exigencies of our people will, from time to time, bring to light further discoveries of this element of power and progress that now lies dormant in distant and imperfectly explored places.

The wealth of this country in the article of coal is beyond estimate.\* This combustible substance is spread by the hand of Providence everywhere in such localities as to make it best subservient to the wants of our race, whose genius has developed and is continually applying its resistless forces.

Geology teaches that the primeval forests, and myriads of lesser vegetation, in the decay of ages, are changed by the secret agencies of nature into this important substance, and packed away in the earth for the use of man.

The aggregate area of the coal fields of the British North American Provinces, of Great Britain, France, Belgium, Rhenish Prussia, Westphalia, Bohemia, Saxony, Spain, and Russia, is reported as equal to sixteen thousand four hundred and ninety-four square miles, whilst the extent of those discovered in past years in the United States is estimated at two hundred thousand square miles. An able English writer, in discussing the bearings of this mineral fuel and the extent of it in the United States, declares that the possession of such an amazing deposit leads to the forecast of a future of almost boundless enterprise and production in America, describing it as a "fuel ever ready at a moment's preparation to generate a power the very opposite of man's nature, a power that transcends all others, yet known to be applicable to mechanical movements, that disdains narrow improvements, and wings us or wafts us over land or sea, that makes tens of thousands of wheels and spindles to revolve incessantly, that causes raw materials to be wrought into airy fabrics or solid structures, or that transports navies and armies, changes the character of warfare by accelerating the transfer of men and the munitions of war, decides the fate of battles, and determines the destiny of nations." Such is the agent abounding in the public domain, and everywhere accessible in our country, and which is now laboring in our machine shops, in our manufacturing establishments, whilst it is driving over our inland waters vessels of every size from a steam-tug to floating palaces, and is speeding to distant lands our ocean marine engaged in foreign trade, and carrying into every sea and every prominent port the huge and resistless engines of our naval forces, which attest the genius of this people and are symbols of our national power.

Interspersed with this valuable deposit are most of the other useful minerals upon the presence of which the wealth and prosperity of a nation measurably depend. The precious metals are deposited in three broad belts, stretching across the United States, one known as the "Appalachian gold field," traversing the older States of the Union in a line parallel with the Atlantic coast, and appearing in Virginia and North Carolina; the other as the "Rocky Mountain gold field," traversing all the more recently organized Territories of the United States, and the third as the

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\* Surface indications of coal meet the eye almost everywhere. The bituminous coal fields around Pittsburgh have been estimated at eight million six hundred thousand acres. The upper section alone of this area is estimated to contain fifty-three thousand five hundred and sixty million tons of coal.—*Sir Morton Peto, Resources of America*, page 180.

"Sierra Nevada gold field," extending through the country bordering on the Pacific.

Iron, the most useful of all metals, is at the same time the most generally distributed through the public land States\* and Territories, whilst there is copper in immense quantities in the vicinity of the lakes east of the Mississippi, existing likewise in greater or lesser degree in the region extending from the Mississippi Valley to the Pacific, whilst lead, tin, and zinc are found in several of the States and Territories. The precious metals exist chiefly in California, in Nevada, in northeastern and southwestern Oregon, in Washington Territory, in Idaho, Montana, Colorado, southern Utah, New Mexico, and Arizona, scattered over an estimated area of a million square miles, and now yielding an annual product in gold and silver, according to the best attainable estimates, of over one hundred millions of dollars; California alone having produced in the precious metals since 1848 over one thousand millions of dollars, while the developing mines of Nevada, Colorado, Idaho, Montana, New Mexico, and Arizona are making large annual additions to the American yield of gold and silver.

#### PETROLEUM.

It appears from a semi-official report, in June last, received from the Surveyor General of California, that the petroleum oil belt extends in that State from the county of Humboldt on the north to Los Angeles on the south, a distance of over 700 miles, embracing twelve counties, to wit: Humboldt, Mendocino, Colusa, Sonoma, Contra Costa, Santa Clara, Santa Cruz, Monterey, San Luis Obispo, Santa Barbara, Los Angeles, and Tulare, in which oil in limited quantities, and some of superior quality, has been discovered; in fact, that the sandstone and shale of the whole coast range of mountains in most of these counties is so strongly saturated with petroleum oil as to burn in a furnace, being easy of excavation and assuming the appearance of tar or asphaltum where exposed to the air. It is found in some localities, particularly in the southern counties, in a fluid state, flowing out of the shale rocks in small rills, known by the residents as breor springs, chiefly in the cañons or gulches. The asphaltum or hardened oil exists in very large quantities on the surface, the formation of centuries, as supposed, and is used for fuel. One of the most remarkable springs mentioned is situated under the ocean, some three miles from the shore, opposite San Luis Obispo, and north of Point Concepcion, which, in calm weather, is said to cover the surface of the sea with oil for twenty miles; and another curious feature is found about six miles from Los Angeles, in the plain known as Tar Lake, from fifty to one hundred feet in diameter, which is filled with oil-tar, used by the inhabitants for roofing houses and other purposes.

Various experiments, it appears, have been in progress for obtaining the oil from the immense deposits of asphaltum and tar, extracting it from the sandstones and from springs by boring, which have met with partial success, but sufficient to warrant the belief that at no distant day a full supply may be obtained when adequate capital and machinery shall be supplied.

(To be Continued.)

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\* It is estimated that there is iron ore enough in Missouri alone to supply a million tons per annum of manufactured iron for the next two hundred years.—*Sir Morton Peto*, page 167.

## CHICAGO AND NORTHWESTERN RAILWAY.

The third fiscal year of this consolidation expired May 31, 1867. The earnings and expenses yearly, as show in the reports of the company have been as follows :

	1864-65.	1865-66.	1866-67.
Passenger earnings.....	\$3,167,901 77	\$3,510,737 53	\$2,945,016 19
Freight ".....	4,448,598 57	5,399,191 39	6,649,589 81
Express ".....	90,045 97	157,157 30	346,016 37
Mail ".....	67,835 91	77,690 21	124,485 27
Miscellaneous".....	46,317 53	106,103 86	96,637 81
Total gross earnings.....	\$8,890,749 75	\$8,243,840 28	\$10,161,735 45

From which must be deducted cost of operating and taxes, local and national, as follows :

Cost of operating.....	\$4,325,473 85	\$5,072,959 34	\$6,724,265 45
State, county and town taxes.....	168,119 91	249,439 99	260,439 57
U.S. tax on earnings, and stamps.....	157,769 07	204,684 12	113,301 18
Total cost and taxes.....	\$4,651,362 84	\$5,527,083 45	\$7,108,993 20
(Percentage of cost, &c.....	67 75	67.04	69.91)
Earnings less expenses.....	\$3,199,887 91	\$2,716,756 83	\$3,097,743 25

Disbursed in the following directions, viz :

Interest on bonds and debt.....	\$750,470 00	\$940,823 40	\$1,143,900 07
Sinking funds on bonds.....			
Dividend on B. & M. R. R. stock outstanding January 1, 1866.....		3,478 45	
Interest on C. & M. RR. bonds and dividend on stock, in accordance with terms of lease.....			123,423 95
Rents of Iowa leased railroads.....	397,115 98	518,531 82	639,220 94
Dividend on preferred stock.....	873,873 15	447,135 33	969,000 00
Surplus income.....	678,929 78	742,193 83	102,067 29

The surplus as above has been reduced by charging against it certain interest and discounts, properly chargeable to construction, viz.: in 1864-65, \$521,826 19; in 1865-66, \$415,799 20, and in 1866-67, \$117,831 05, making a total of \$1,054,956 44; which, deducted from the aggregate surplus (\$1,523,180 90,) leaves May 31, 1867, \$468,222 46 as the surplus actually carried to the general account.

The length of line operated, and the stock of engines and cars on the road have been largely increased during the period which the above accounts cover. The following statement shows these at the date of the consolidation in June, 1864, and at the close of each subsequent fiscal year :

	June, 1864.	1865.	May 31st 1866.	1867.
Clinton line.....	138 1	138 1	138.1	133 1
Iowa leased lines.....	169.0	204.0	204 0	352.9
Freeport line.....	318.1	342.1	342.1	491.0
Elgin-Richmond line.....	91.0	91 0	91.0	91.1
Bevidere-Madison line.....	38.0	38.0	38.0	33 0
Bevidere-Madison line.....	49.5	67.6	67.6	67.6
Rockford-Kenosha line.....	73.4	73.4	73.4	73.4
Chicago-Green Bay line.....	242.4	242 4	242.4	242.4
Chicago-Milwaukee line*.....			83.5	83.5
Peninsula Railroad†.....		70.0	71.5	71.5
Total miles operated.....	806.4	920.5	1,003 5	1,152.4

The change in the rolling stock from June 1, 1865, to June 1, 1867, is shown in the following statement :

	No. of engines.	Number of cars				Oro.	Total.
		Pass.	Cabooses.	Bag. &c.	Freight.		
1865.....	154	84	83	75	2,773	214	3,239
1867.....	248	133	117	101	4,315	579	5,629
Increase.....	94	30	34	26	2,042	205	2,450

\* Leased May 8, 1866.

† Consolidated October, 1864, and opened through December, 1864.

The business of the road is not given with sufficient detail. From the reports, however, we collect the following information :

	1864-65.	1865-66.	1866-67.
Passengers carried .....	1,096,697	1,511,999	1,583,023
Freight (tons of 2,000 lbs.).....	956,484	1,870,515	1,735,930

The financial condition of the company on the 31st May yearly, as exhibited on the general account, is shown in the following statement :

	1865.	1866.	1867.
Common stock.....	\$13,160,931 18	\$13,174,901 18	\$13,231,495 61
Preferred stock.....	12,964,719 79	13,019,065 79	14,789,125 43
Funded debt.....	13,030,483 87	14,061,000 00	16,251,000 00
Net floating debt.....	836,868 44	377,150 85	1,123,476 55
Income account.....	157,608 59	483,988 23	463,294 48
Total.....	\$39,522,843 47	\$41,006,096 04	\$45,864,323 04

Against which are charged the following, viz :

Property as per terms of consolidation .....	\$34,870,931 93	\$35,079,593 25	\$35,373,514 59
New construction .....	849,608 93	1,269,240 09	1,770,356 29
New equipment .....	1,102,024 40	1,539,935 03	4,332,999 50
Securities on hand, viz.:			
Sinking fund, 2d mort. G. & C. U. RR. bonds.....	24,500 00	253,000 00	293,000 00
Green Bay transit stock, &c.....			274,300 00
Chic. & Milwaukee RR. stock.....	1,374,350 00	1,374,350 00	2,018,200 00
Other stocks and bonds.....	31,373 44	331,359 77	44,193 10
Materials on hand.....	1,015,933 06	1,308,625 91	1,863,153 78
Total.....	\$39,522,843 99	\$41,006,096 04	\$45,864,323 04

The details of the several securities issued, and the amounts outstanding at the close of each fiscal year, are given in the following summary :

	1865.	1866.	1867.
8's, Flag Trust Bonds (Depot).....	\$245,000 00	\$245,000 00	\$200,000 00
7's, pref. sinking fund b'ds (C. & N. W.).....	1,350,000 00	1,350,000 00	1,350,000 00
7's, Appleton exten'n b'ds (do).....	184,000 00	184,000 00	184,000 00
7's, Green Bay (do).....	800,000 00	800,000 00	800,000 00
7's, funded coup int. (do).....	756,000 00	756,000 00	756,000 00
7's, gen. 1st mortgage (do).....	3,600,000 00	3,600,000 00	3,600,000 00
7's, 1st mortgage bonds (G. & C. U.).....	1,968,000 00	1,948,000 00	1,919,000 00
7's, 2d (do).....	1,311,000 00	1,232,000 00	1,173,000 00
6's, Elgin & State line (do).....	189,000 00	189,000 00	189,000 00
7's, Miss. Riv. Bridge (do).....	280,000 00	300,000 00	300,000 00
7's, Equipment bonds (C. & N. W.).....	270,482 87	330,000 00	165,000 00
7's, 1st mort. bonds (Pen. R. R.).....	1,039,000 00	1,200,000 00	1,075,000 00
7's, consol. s'l'g'd b'ds (C. & N. W.).....	948,000 00	2,637,100 00	3,040,000 00
10's, Equipment bonds (do).....			2,300,000 00
Total 31.....	\$13,030,483 87	\$14,061,000 00	\$16,251,000 00

For the general history of the company the reader is referred to the *COMMERCIAL AND FINANCIAL CHRONICLE*, vol. 1, p. 613, 646 and 711.

Below we give the monthly range of sale prices of the stocks of the company since the consolidation :

	Common stock			Preferred stock		
	1864-65.	1865-66.	1866-67.	1864-65.	1865-66.	1866-67.
June.....	50 @ 80	28 @ 37	23½ @ 31½	86 @ 94½	53 @ 57	58 @ 61½
July.....	49½ @ 53	28 @ 30½	20 @ 37	84 @ 93	55½ @ 58	59 @ 66½
August.....	53½ @ 57½	26 @ 30	35½ @ 37½	85½ @ 91½	55½ @ 54	63 @ 68½
Sept.....	44½ @ 54	27½ @ 29½	34 @ 37½	77 @ 86½	60½ @ 64	65½ @ 72½
Oct.....	34 @ 46	23½ @ 34½	23 @ 30½	67½ @ 81	62½ @ 69	72½ @ 81½
Nov.....	38 @ 47½	31 @ 39½	27½ @ 32½	75½ @ 85½	64½ @ 69	69½ @ 82
Dec.....	38 @ 44½	34½ @ 37½	43 @ 55½	69½ @ 76½	61 @ 63½	66½ @ 84½
Jan.....	32 @ 40½	27 @ 35½	34 @ 46½	61½ @ 71½	53½ @ 62½	57½ @ 58½
Feb.....	32½ @ 37	26½ @ 32½	35½ @ 39½	61½ @ 67½	55½ @ 56½	63½ @ 59½
March.....	30 @ 34	25 @ 37½	3½ @ 35½	48 @ 64	52 @ 57½	59½ @ 65½
April.....	21½ @ 35½	24 @ 30½	30 @ 38½	48 @ 67	52½ @ 59½	56½ @ 65½
May.....	21½ @ 35	23½ @ 30½	31½ @ 30½	52 @ 63½	55½ @ 61½	56½ @ 60½
Year.....	20 @ 80	23 @ 39½	23½ @ 63½	45 @ 94½	53 @ 69	55½ @ 84½





## NORTHEASTERN (S. C.) RAILROAD.

The fiscal year ends February 28. The receipts and expenses for 10 years (not including 1864-65) were as follows :

Year ending Feb. 28.	Gross earnings.			Total.	Operating expenses.	Nett earnings.
	Passeng's.	Freight.	Other.			
1867	\$15,890 90	\$15,435 53	\$1,558 94	\$32,884 45	\$.....	\$.....
1868	43,644 44	47,888 50	3,375 61	94,908 55	61,133 01	33,775 59
1869	78,959 24	108,371 46	33,063 04	220,393 74	123,868 93	96,524 81
1860	89,438 54	149,788 37	37,903 13	277,129 94	154,350 73	122,779 21
1861	89,045 05	137,166 36	37,494 43	263,705 84	159,411 96	104,293 88
1862	65,355 18	95,050 99	63,145 98	223,551 15	134,847 73	88,703 42
1863	104,510 53	89,713 11	945,491 87	1,039,715 51	141,593 18	898,122 33
1864	225,933 35	305,557 74	330,423 03	861,913 12	537,330 92	324,582 20
1865	(No report made this year)					
1866	88,263 75	95,845 47	18,635 53	202,744 75	131,591 49	71,153 26
1867	120,018 40	170,561 51	21,455 44	311,035 35	201,185 04	109,850 31

The length of this road is 103 miles, extending from Charleston to Florence, and a connection with the Wilmington and Manchester Railroad. At the commencement of 1856-57, it was completed to Monk's Corners, 29½ miles north from Charleston. At the close of that year it was open to the Santee River, 48½ miles; the average mileage operated in 1856-7 having been 38.86 miles. The whole road was opened to traffic on the 5th August, 1857.

The financial condition of the company on the 28th February, 1860, 1866 and 1867, comparatively, is shown in the following statement :

	1860.	1866.	1867.
Stock capital in \$50 shares.....	\$397,900 00	\$398,050 00	\$398,050 00
1st mort. bonds (7½) due Sept. 1, 1869.....	700,000 00	700,000 00	700,000 00
2d " " (7½) due Sept 1, 1868.....	108,800 00	145,000 00	145,000 00
3d " " (7½) due May 1, 1873.....	108,800 00	155,000 00	155,000 00
Bonds for real estate.....	42,910 00	29,000 00	29,000 00
Bills payable, notes, &c.....	105,590 56	45,999 30	27,850 79
Open accounts.....	8,184 65	55,185 45	16,723 22
Cash due by company.....	.....	11,243 38	.....
Interest outstanding.....	.....	130,236 35	125,297 73
" funded into certificates.....	.....	.....	62,518 50

Total capital and liabilities.....\$2,054,835 41 \$2,158,883 38 \$2,199,209 24

Against which are charged as follows :

Cost of road and property.....	\$1,931,051 91	\$2,095,176 37	\$2,143,130 65
2d mortgage bonds.....	50,800 00	.....	.....
Stock in Cheraw & Darlington R.R. (par \$35,400).....	22,597 40	4,064 00	4,064 00
Stock in Florida Steam Packet Co.....	6,000 00	.....	.....
Real estate.....	11,934 41	26,136 04	22,359 96
Post Office dues ..	18,134 38	.....	1,295 18
Bills receivable.....	3,505 12	3,987 50	8,737 50
Open accounts.....	.....	21,365 23	.....
United States ..	.....	8,254 24	.....
Cash.....	10,863 19	.....	14,871 95

Total property and amounts.....\$2,054,835 41 \$2,158,883 38 \$2,199,209 24

The overdue interest amounting at the close of 1866-67 to \$175,267 73, is fundable into certificates of indebtedness. The total amount to date was \$233,249 50, of which \$5,163 27 was retired in settlement of freights, and \$52,818 50 by funding. These certificates bear 7 per cent. interest, payable semi-annually, and are payable January 1, 1875. Interest is now paid as it becomes due.

## MISSISSIPPI CENTRAL RAILROAD.

The fiscal year of this company closes August 31. At the commencement of the

\*Secured by the deposit of a corresponding amount of 2d mortgage bonds in the hands of trustees.

year 1865-66 trains were running north only as far as Abbeville. On the 20th September the bridges were completed to Holly Springs, and on the 16th November the line was opened to Grand Junction. On the 6th January trains were run to Bolivar, and on the 18th May to Jackson; but it was not until the 17th June that connection was made with the Mobile and Ohio Railroad. The business of the road was also interrupted by want of rolling stock. Under these conditions the company accomplished but a small quota of the business of which the road with a sufficient equipment is capable.

The following statement exhibits an account of the earnings and expenses for the year :

EARNINGS.		EXPENSES.	
Passenger receipts.....	\$187,480 38	Conducting transportation.....	\$74,874 23
Freight ".....	307,788 94	Way, \$97,901 77; engines and cars,	
Mail ".....	19,071 53	\$73,610 18.....	170,511 95
Other ".....	450 00	Fuel, \$34 023 79, and sundries \$28,	
		378 16.....	62,401 95
Total receipts.....	\$604,790 70	Total expenses.....	\$307,788 13
Balance to credit.....			297,002 57

The balance sheet of the company, dated Sept. 1, 1866, reads as follows:

Capital stock and dividend of Oct. 6, 1863.....	\$3,949,321 7
Sinking fund.....	\$300,000 00
Contingent fund.....	200,000 00
Profit and loss.....	237,536 37— 787,536 37
Earnings 1st September, 1865, to date.....	604,790 70
First mortgage bonds.....	\$1,190,896 66
Second ".....	1,115,400 00
Income ".....	97,550 00
M. C. & T. R.R. ".....	71,000 00
State of Tennessee.....	928,980 00— 3,393,826 66
Circulation in change bills.....	210,161 60
Bills payable.....	368,835 67
Open accounts and pay rolls.....	304,009 60— 882,996 77
Total capital and assets.....	\$8,568,871 97

Against the above are charges as follows, viz :

Construction account.....	\$5,773,734 02
Equipment.....	769,436 99— 6,543,161 01
Reconstruction since Sept. 1, 1865.....	607,354 43
Interest on M. C. & T. R.R. bonds.....	\$7,882 93
" Preferred stock.....	37 43
" Tennessee bonds.....	178,549 40
" Income bonds.....	152,233 16
" First mortgage bonds.....	217,544 17
" Second mortgage bonds.....	655 93
" Floating debt.....	119,512 74— 675,080 76
Expenses 1st September, 1865, to date.....	307,788 13
Tennessee bonds.....	\$225,000 00
Cash in hands of Treasurer.....	18,946 65
Real estate, bills receivable, and other available means.....	183,160 94— 432,007 59
Total property and assets.....	\$8,568,871 97

With regard to the funding of interest coupons, it may be stated that the State of Tennessee has agreed to take bonds at 6 per cent. for her share, and at the same time a State loan of \$200,000 was granted. The coupons of the company's bonds will also be funded as rapidly as possible. It is expected that the income of the current year will be adequate to provide for accruing interest.

## MANUFACTURE OF PERFUMERY.

From an interesting paper upon the cultivation of flowers and the manufacture of perfumery at Nice, France, by Mr. A. O. Aldis, United States consul at that port, we learn that the export of perfumery from Nice, Grasse, and Cannes to the United States last year amounted to about \$40,000. There are six or seven manufactories at Nice, the same number at Cannes, and at Grasse about sixty. There is a distinction between the manufacturer and the perfumer. The business of the former is to extract from the flowers their essential oils. The perfumer buys these oils, pomades and extracts, and compounds them in various ways.

A warm, dry climate, sunshiny during the period that the flowers are in bloom is best for the manufacture of perfumery. The climate and long winters of our northern and middle States forbid the prosecution of this business, but it may become profitable on the States bordering on the Gulf of Mexico and in California. A few years since a French manufacturer had an establishment in Louisiana, but finding it unprofitable returned to France in 1841.

Of all the fragrant flowers in the world only about twelve are used in the manufacture of perfumery, to wit: the violet, rose, orange flower, jasmine, tuberose, cassie, lavender, thyme, rosemary, geraniums, jonquil and fennel—of which the rose and the orange flower are the most valuable. Of the numerous varieties of rose only one is used, the Provence rose, single, pale pink, the most sweet smelling of roses—not hardy, a temperature of 20° Fahrenheit destroying the crop.

Mr. Aldis encloses a paper by Mr. F. Warwick, of Nice, on the cultivation of flowers for perfumery, from which we quote :

“ The year commences with—

“ **VIOLETS, DOUBLE PARMA.**—These are usually cultivated beneath the orange trees. The ground ought to be well dug two feet deep with a forked spade. The best time of planting is about the first of April, immediately after the flowering has ended. Subdivide the old plant into five or six small bunches, or if you wish to preserve the original plant in its original place, merely take off the runners. Plant them in rows of nine or ten inches apart. As soon as they are fairly rooted they ought to have a good dressing of liquid manure, which should be repeated in December and January of each year. During the summer they must be irrigated every ten or fifteen days. The plantation should be renewed every five or six years. They begin to bloom in December. Picking for perfumery generally commences in February and ends the middle of April.

“ Jonquil is cultivated in a good soil, exposed to the sun ; needs no irrigation.

The flowers are picked in April.

“ Roses require a deep soil, exposed to the sun. The ground ought to be dug three feet deep. The off-shoots are taken with a small particle of root from the old plants and are planted in rows two feet from plant to plant in the row, and each row five feet apart. When planted out, cut them down, only leaving two ends above the ground. If the weather is dry, water them once after planting, otherwise they do not require irrigating. The proper time for planting is from November to February. November is best on high, dry and sloping ground. Once every year in January the ground should be well manured, dug with a

forked instrument, and the superfluous off-shoots taken off to replant. The branches ought then to be bent and fastened or festooned, one plant to another, and dry or stunted branches cut away. The ground ought to be well hoed and cleared of weeds in June. The better they are cared for the better they yield. Nothing should be planted or sown between the rows. After the first year they yield a small crop. A plant from two to four years old will yield from twelve to sixteen ounces of flowers. The picking begins the last of April or first of May and lasts from three to four weeks.

"ORANGE.—The orange is propagated from the seed. After the first year they are planted in rows about two feet apart. In the third year they are grafted, and in the fourth year removed to where they are to remain. Not only the spot where the tree is to stand but the whole ground should be dug four feet deep. This is of great importance. It will not be observed at first, but if not attended to when the tree is in its prime, a blight will appear and the tree will not increase in size. As this tree lasts with care above two hundred years, every attention ought to be paid to its infancy. The trees are planted in rows from twelve to twenty feet apart. Violets grow well beneath their shade, but should not be planted within three or four feet of the trees. The ground should be dug and manured every year—liquid manure—in March or the first of April, and the trees pruned in June every second or third year.

"The sweet orange (called Portugal) is cultivated for fruit; its flowers are of much less value for distillation than those of the sour orange and sell for only about half their price.

"The sour or bitter orange (called bigaradier) yields the best profit, and is less affected by the long, dry heat of summer. The fruit of the sweet orange makes the essential oil of sweet orange, generally called oil of Portugal. It is made in December or January by rubbing the orange in pewter cups, garnished with pricks, which pierce the vesicles of the rind, and cause the oil to flow out. The remainder of the rind is rasped and distilled, yielding an inferior oil. The pulp is mixed with bran and fed to cows, making them yield more milk.

"The bitter orange yields the best blossoms for perfumery. The blossoms are picked in May. The essential oil distilled from the blossoms of the bitter orange is called oil neroli. One ton of blossoms yields two pounds eight ounces of oil neroli. From the leaves and branches which are pruned in June, is distilled the essential oil called "petit grains," which is much used in the manufacture of eau de cologne. The orange water obtained by distillation from the leaves is sometimes sold for and used as the orange water distilled from flowers, but it is very inferior to the orange flower water.

"The fruit of the bitter orange, by the rubbing process, yields a very fine essential oil, bigarade. It is used in many scents, but principally in the manufacture of the famous curacao.

"GERANIUM.—The oak leaf or scented verbenæ geranium is propagated by cuttings in September, replanted in March or April, in ground well exposed to the sun and that can be freely irrigated. It grows to the height of four feet, is cut by the sickle, and distilled in August and September. One ton yields from twenty-four to thirty ounces of the essential oil.

"JASMINE.—A delicate flower, requiring much attention in the cultivation,

picking and manipulation. It requires a good, damp soil, easily irrigated, and well exposed to the sun. The grafted plants are placed two feet apart, in rows five feet apart. They must be cut down every spring to within a few inches of the ground. They flower abundantly from July to the end of October, and even later, though the flowers have little or no perfume. From the middle of July to the fifteenth of August the flowers are picked daily just about sunset; after August 15th they are usually picked in the morning as soon as the dew is off. The essential oil is so volatile that it cannot be extracted by distillation, the heated water decomposing it so that only a faint tinge of the perfume is left in the water that passes through the refrigerant.

"**TUBEROSE.**—This beautiful bulb requires a rich moist soil that can be easily irrigated, and that is well exposed to the sun. The bulb, after being freed from suckers, is planted in April, and blooms abundantly fifteen months afterwards. The time of picking is from the middle of July to October. Like the jasmine, the oil cannot be extracted by distillation.

"**CASSIE.**—This pretty flowering shrub is cultivated from seed planted in espaliers. The ground ought to be well prepared to the depth of four or five feet and exposed to the south. It does not require irrigation. The flowers are picked from the first of October to the end of December; but these picked in October have much more perfume and obtain a higher price. The perfume is not very agreeably by itself, but is much used in compounds."

The process of manufacturing is given as follows :

1. From roses, orange flowers and leaves, geraniums, lavender, thyme and rosemary, the genuine essential oils are extracted by distillation.

The roses and orange flowers have to be very carefully picked over, the bulbs and all leaves, and everything which could discolor the product removed. They are then put into a still with water; the water is heated, and being thus infused with the flowers the steam rises filled with the oil of the flowers, and passes over into a tube which is coiled round and round in another cylinder filled with cold water, and which is called the refrigerant. Passing through the cold water, the steam is condensed and runs off into a glass receiver—the oil rising to the top, the perfumed water being below.

A ton of roses yields only two ounces of the attar. It is of a golden yellow color with a greenish tinge, which becomes more intense with age. If kept at a temperature below 60° it crystalizes; if kept open to air and light it is easily volatilized.

The essential oil is also obtained from the fruit of the orange by rubbing the fruit in cups armed with pricks, as before described.

2. Perfumed oils are made by putting the flowers, after they have been carefully picked over, into the finest of virgin olive oil. Usually about twenty-five pounds of flowers are put into one hundred pounds of olive oil and left to infuse in the oil for one or two days; then the oil is warmed and strained, the flowers pressed to extract the oil from them; and then the same quantity of fresh flowers is again put into the oil, and this operation is repeated from twenty to twenty-five times. In this manner the perfumed oils of violet, jonquil, rose, orange and cassie are made.

3. POMADES.—It has been found that the essential oil of flowers, which gives them their perfume, has a strong affinity to lard or grease. Lard and suet are clarified and prepared in the most careful manner, and mingled in the proportion of two parts of lard to one of suet. The product is as white as snow. This grease, thus clarified and prepared, is gently warmed, and when it liquifies, the flowers, most carefully picked over, are put into it. They remain in the grease, being macerated and stirred up in it, for several hours, till the perfume is supposed to have been extracted. Then the liquid grease is strained off and the flowers pressed to extract the grease they retain. This process is repeated with fresh flowers for twenty or twenty-five days, till the pomade is saturated with the perfume. In this way we have pomade of rose, orange, violet, cassie.

The pomades of jasmine and tuberose are made in a different way, as their essential oils are dissipated and lost by the application of heat, either in distillation or maceration with heated grease. Frames of wood, about twenty inches square, and somewhat like a schoolboy's slate, are made, a pane of glass being in place of the slate. These frames are so perfectly fitted to each other that when they are placed one upon the other the space between the panes of glass is almost hermetically sealed. No air can get in or out. When put one above the other, the spaces between the panes of glass are about half an inch in depth. Upon both sides of these panes of glass the finest clarified lard (pomade) is spread. The flowers of the jasmine, freshly picked, and if possible before they have lost any of their perfume, are sprinkled over the lard, and the frames are then put one upon another. Thus these delicate flowers are imprisoned in a little chamber of lard, and their perfume as it is exhaled is absorbed by the pomade. They remain so in prison for twenty-four hours, when, having lost their perfume, they are carefully taken off and fresh flowers put in their place. This process goes on for fifty days, during which time the pomade has to be occasionally turned so as to expose all its particles to the perfume. At last, when sufficiently saturated with perfume, it is scraped off the glass and clarified. This is jasmine pomade.

“Jasmine perfumed oil is made by still another process. Thickly woven cotton sheets (similar to lamp cotton) are saturated with the finest virgin olive oil, and then placed upon wire netting, held on wooden frames. The flowers are sprinkled on these sheets, thus saturated with oil, and left for twenty-four hours, when they are taken off and fresh flowers put on. This is repeated for about two months, when the oil being sufficiently filled with perfume, the sheets are folded and pressed till the oil is pressed out. In a moderate sized manufactory about two thousand such frames are required. The flowers of the tuberose are treated in the same way as the jasmine.

4. EXTRACTS.—This term is applied to the oils or perfumes when extracted by spirits of wine or alcohol.

Strong as is the affinity between the perfume of flowers and grease, the affinity for alcohol has been found to be still greater. Hence, if pomades are immersed in alcohol, the perfume is attracted to the alcohol and leaves the grease. In this way the pomade is left in the alcohol for five or six weeks, and stirred several times a day; at the end of the time the alcohol becomes sufficiently perfumed, and we have an extract.

Thus are produced the extracts of rose, orange, jasmine, tuberose, cassie and violet.

5. Orange flower water and rose water are important products of this business; they are distilled from the flowers, and become separated from the oils in the process of distillation. Orange flower water is considerably used as a kind of healthy medicinal beverage; it is mixed with "eau sucree."

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## LOWER CALIFORNIA.

### ITS CHARACTER AND RESOURCES.

Captain C. M. Scammon has made a report to J. Ross Browne upon the character and resources of the west coast of Lower California, which is condensed by the *San Francisco Bulletin*, as follows:

"Capt. Scammon says the whole extent of the west coast is quite barren, and its approaches bold, except at particular points. St. Bartolme and Magdalena Bay are both excellent harbors, and their entrances are free from all hidden dangers. The latter has an extent of navigable lagoons connected with it of over one hundred miles. There are many places where anchorage may be found, and roadsteads where a ship may lie and find some shelter from the prevailing coast winds; also numerous islets that afford some conveniences for shipping. The climate of western Lower California is a pleasant one. The principal sources of wealth have been its whale and seal fishing, guano and salt. The salt fields of Ojo Lebre, near the head of Scammon's Lagoon, are capable of supplying an almost unlimited quantity of excellent salt. Vessels of 400 tons burthen can find good anchorage within five miles of where the salt can be embarked in lighters of 25 to 50 tons capacity. Several cargoes were brought to San Francisco a few years ago, but the low price of the article, and the existence of supplies nearer home, made the trade unprofitable, and we believe it has been abandoned. Several remarkable lagoons exist along the coast, the entrances to which are often dangerous, and have been the cause of numerous disasters to shipping. These lagoons are the resorts of whales, and have been at times the scenes of great activity for whale fishers. When first entered for commercial purposes their waters were alive with whales, porpoises, and fish of many varieties. Turtle and seal basked upon the shores of low islands, and game of many species was so abundant that the shoals left bare by the receding tides would be closely covered with geese, duck, snipe, and other species of sea fowl.

\* \* \* "Magdalena Bay and its adjacent lagoons were more largely resorted to for years by whalers. The bay itself is capacious, sheltered and safe, but the approaches to the lagoons are difficult if not always dangerous, lying over shoals, impassable except at high tide. At low water, says the report from which we quote, no one would imagine that a vessel of 200 to 300 tons could ever get over into the deep water between the divides. 'But the whaleman, after contending with the stormy elements and drifting ice of the Arctic Ocean, plies his ship towards the tropics to pass the winter months, seeking his source of wealth in a more temperate clime, with all the determination, energy and tact characteristic

of his calling. He now finds the object of pursuit, not in the fathomless blue water, but huddled together in narrow estuaries, the banks on either hand lined with the evergreen mangrove. Frequently the hollow sound of the spouting whale is heard through the trees, and the vapor ascending is seen above them. The vessel is lightened in every possible way, and by dint of running out anchors, heaving, hauling, grounding and listing, the ships cross the divides, and the whaling is pursued as though no unusual difficulties had been overcome, or none were again to be contended with to reach the open sea.' Whalers have ascended this lagoon 40 miles from its mouth, and then have only been three miles from the shore. The country about Magdalena Bay and its lagoons is generally barren and uninviting. Its resources are whales, fish, oysters, clams, muscles and game. The natives who come from the interior to trade bring cattle, leather, raw hides, soap, cheese, figs, oranges, dates, pearls, shells, and in some instances silver manufactures; exchanging them for ready-made clothing, heavy cotton cloths, calicoes, tobacco and cutlery. They will sometimes come 40 or 50 miles to exchange a few *arobes* of fruit for necessary articles of family use. The quantity of oil taken from 1856 to 1861 is estimated at 34,425 barrels, worth about \$316,375. The annual oil receipts from that quarter have fallen off greatly. Quantities of turtle used to be taken in the bay, and some are still brought from there to San Francisco.

There are fifteen islands off the west coast of the peninsula. They are generally high and wooded, and from their garniture of green, have a more inviting look than the mainland. Some of them afford good shelter for vessels. The highest point on St. Guadalupe, one of the largest of the group, is about 3,400 feet above the sea, and covered with the pine and cedros. Goats abound in the ravines, and fur seal and sea elephants once made the island a favorite resort. Some prisoners of state were once banished here from Mexico, and a party of misérables—probably the same—were taken off a few years ago by an American vessel which chanced to see their signal. Elide Island was covered with guano till the exhaustion of the supply subsequent to 1857, about 28,000 tons having been obtained altogether. Chester's Island also yielded guano for a few years. Cedros Island, the largest of all, is well known to Californians from the scientific and mining explorations of which it has been the scene. Its mountain peaks are visible 60 miles at sea. Its aspect is forbidding, its climate exceedingly dry. Much of its vegetation is peculiar, and has furnished many new species to botanists. The "fayfay" tree yields a medicinal gum, which is made into an ointment with the tallow of the native goat. A few deer are found. The island was formerly a great resort for the hunters of the seal, sea elephant and otter. Other islands are the homes of innumerable sea fowls, and have furnished small quantities of guano, but this staple is now pretty much exhausted. The whale and seal fisheries, which have been from the beginning monopolized by Americans, are also nearly exhausted. On the whole, the western coast of Lower California does not offer much inducement to American enterprise. The interior must be more productive to sustain the numerous herds of cattle that range through the hills and valleys from Cape St. Lucas to San Diego."



## MARINE INSURANCE IN ENGLAND.

## PAST AND PRESENT UNDERWRITERS.

Marine insurance was practised in England before it was in use in the northern part of the continent of Europe; and even Antwerp, then in the meridian of its commercial eminence, derived it from English merchants. In 1560, Guicciardini states that the traders of England and the Netherlands "have fallen into a way of insuring their merchandise at sea by a joint contribution"; and we may perhaps assume with safety that about this period the practice became tolerably general in the commercial world of Europe.

By 1601 the amount of underwriting business done on the London Exchange had become so considerable, that an act of Parliament was in that year passed for the establishment of a Court of Policies to decide disputes arising out of these documents. For reasons on which we need not now dwell, this tribunal failed to attract much business; and although it was subsequently reconstituted on an improved basis in the reign of Charles II., it had even then no better fate, and ultimately expired of sheer inanition. Insurance was originally carried on in England, as in Venice and on the continent generally, by individual underwriters in Lombard street, who afterwards, for their own convenience and that of the insured, assembled at a coffee-house—the first establishment of the kind in England—which was opened in a yard off that street about the middle of the seventeenth century. In 1710 they transferred their place of meeting to another coffee-house opened by a person named Lloyd in Abchurch lane—and it is from this Lloyd that the body of English underwriters have since acquired the sort of corporate name under which they are known all over the world.

In 1720 the two first insurance companies—the London Assurance and the Royal Exchange Assurance—were incorporated. They owed their existence to the necessities of George I.; and the consideration on which they obtained their charters was the promise—eventually only half fulfilled—to pay his Majesty a sum of £600,000. Established in the year of the South Sea mania, the stock of the two companies was soon raised to an extravagant premium; but when the financial bubble burst, it experienced a more than corresponding depression, and from that circumstance and an accumulation of disasters at sea, they were for some time involved in serious difficulties. Eventually, however, these difficulties were surmounted, and for more than a hundred years they succeeded in maintaining their exclusive privileges as the only insurance company sanctioned or permitted by law. It required at least fourteen years' agitation to convince Parliament of the impolicy of continuing this monopoly.

¶ In 1810 the New Insurance Company was formed, with a capital of £5,000,000 sterling, and Parliament was appealed to in order remove the restrictions which prevented its entering upon business. After an elaborate and lengthened inquiry into the subject, a committee of the House of Commons reported that the exclusive privileges of the two great companies should be repealed, and that encouragement should be given to other associations for the promotion of sea-insurance. The influence of the monopolists was, however, sufficient to protract the contest for fourteen years; and it was not until 1824 that marine insurance was thrown open, like life and fire insurance, to

joint-stock enterprise and energy. To those unacquainted with English commercial history, the folly of Parliament in so long maintaining the restrictions we have mentioned may cause some surprise. But in fact it is only of a piece with their legislation down to a very recent period. Every branch of trade, industry and mercantile association has had in turn to struggle for life, against the stupidity and the obstinacy of our rulers, who are even yet far from being disabused of the notion that they know better than traders what is good for trade.

From 1824 the number of English marine insurance companies has steadily increased with the augmenting business offered to them by our expanding trade. Liverpool and Glasgow have long possessed underwriters' rooms, and have transacted a large amount of business. Yet the enormous import and export commerce of Lancashire did not lead, till very lately, to the erection of any independent marine insurance companies, either in the great western port or in Manchester. Latterly, two or three offices have been established there, and Bristol has claimed the right of drawing marine insurance business to its busy mercantile city. Yet in all these places the insurance system flourishes rather like an exotic, having its true habitat in the metropolis of the empire. There are in London at the present time upwards of 20 proprietary marine insurance companies, besides several mutual ship insurance associations, which extend their operations in a smaller degree to the protection of freights and outfits. The aggregate members and subscribers to Lloyd's is rather above 1,500 of whom 400 are underwriting members.

#### ANNUAL COTTON STATEMENT OF NEW ORLEANS, MOBILE, AND CHARLESTON.

Below we give a review of the cotton movement at New Orleans, Mobile and Charleston for the past year ending August 31, 1867.

**NEW ORLEANS COTTON MOVEMENT FOR THE YEAR 1866-7.**—The *New Orleans Price Current*, of August 31, publishes its yearly review of the cotton trade of that port, from which we have prepared the following. We have given the weekly movement at New Orleans in the successive numbers of the *CHRONICLE*, and insert here, therefore, only the general results.

With the 1st of September, 1866 the market opened at 81@32c. for (Liverpool classification) low middling, and after rapidly advancing until early in October, it touched 89@40c., which was its highest point, it subsequently declined with but few important fluctuations, until in the latter part of April it sunk to its lowest point of 22c. for low middling and 25c. for middling. Towards the close of that month it took a sudden and favorable turn and rose to 26@27c. for low middling, after which it gave way, receding, by the middle of July, to 22½@23¼c. since which it has ranged from 24@26.

The receipts for the year reach 780,490 bales, as follows :

Receipts.		Receipts.		Receipts.	
In September.....	12,186	" February.....	111,734	" July.....	9,306
" October.....	71,463	" March.....	78,910	" August.....	8,041
" November.....	114,069	" April.....	89,855	Add diff. in stock.....	13,323
" December.....	143, 55	" May.....	27,365		
" January.....	137,962	" June.....	15,968	Total for year.....	780,490

From the yearly review of the *Charleston Courier* we take the following statement of the exports of cotton from that port for two years :—

## EXPORTS OF COTTON FROM THE PORT OF CHARLESTON.

	From Sept. 1, 1866, to Aug. 31, 1867		From Sept. 1, 1865, to Aug. 31, 1866.	
	Upland.	S. I.	Upland.	S. I.
Liverpool.....	7,595	57,927	3,474	42,794
Other British Ports.....	25	.....	.....	.....
Total Great Britain.....	7,595	57,952	3,474	42,794
Havre.....	392	3,112	145	4,814
Other Foreign Ports.....	.....	20	.....	96
Total France.....	392	3,132	145	4,912
South of Europe.....	.....	1,855	.....	1,078
Total Foreign Ports.....	7,987	72,909	3,619	48,794
Boston.....	49	5,998	51	2,772
New York.....	3,214	61,735	2,059	46,553
Philadelphia.....	23	3,956	9	2,975
Baltimore and Norfolk.....	196	9,191	.....	1,489
Other United States Ports.....	294	133	.....	1,523
Total Coastwise.....	2,766	80,942	2,119	55,112
Grand total.....	10,753	153,851	5,738	103,906

## BRANCH MINT AT SAN FRANCISCO.

The San Francisco papers give the following official statement of the deposits and coinage at the United States branch mint in that city for the fiscal year ending June 30 :

GOLD			SILVER COINAGE.		
Denomination.	No. of pl's.	Value.	Denomination.	No. of pl's.	Value.
Double eagles.....	901,000	\$18,020,000	Half dollars.....	1,216,000	\$608,000
Eagles.....	2,000	20,000	Quarter dollars.....	52,000	13,000
Half eagles.....	24,000	120,000	Dimes.....	120,000	12,000
Quarter eagles.....	26,000	65,000	Fine bars.....	133	146,049
Total.....	953,000	\$18,225,000	Total.....	1,398,133	\$789,049

The total value of the gold and silver deposits is \$19,005,049. Below we give the localities from which the above bullion was received :

Gold.		Silver.		Gold.		Silver.	
Arizona.....	\$23,457	\$3,212	Parted f'm g'd.....	.....	.....	113,753	.....
California.....	8,179,772	.....	Total.....	\$12,220,909	\$783,673	.....	.....
Idaho.....	2,020,900	98,866	Bars.....	5,715,260	10,709	.....	.....
Montana.....	578,398	.....	Foreign coin.....	162,738	26,042	.....	.....
Nevada.....	48,677	517,659	Foreign bull'n.....	91,648	49,004	.....	.....
Oregon.....	975,974	183	Totals.....	\$18,190,603	\$819,433	.....	.....
Parted f'm m'ell.....	395,751	.....					

These returns compare as follows with the fiscal year ending June 30, 1866 :

GOLD.		SILVER.		GOLD.		SILVER.	
1867.	1866.	1867.	1866.	1867.	1866.	1867.	1866.
U. S. bullion.....	\$12,220,909	\$17,436,499	U. S. bullion.....	\$723,678	\$623,692	.....	.....
Fine bars.....	5,715,260	.....	Bars.....	10,709	.....	.....	.....
Foreign coin.....	162,738	81,926	Foreign coin.....	26,042	22,459	.....	.....
Foreign bullion.....	91,648	167,907	Foreign bullion.....	49,004	64,448	.....	.....
Totals.....	\$18,190,603	\$17,696,332	Totals.....	\$819,433	\$710,598	.....	.....

## CULTURE OF OYSTERS.\*

The writer will give an account of the cultivation of this favorite mollusk as practiced in France, and notably at the imperial, or model *parcs* in the *bassin d'Arcachon*.

This bay was evidently intended by nature for an oyster farm, and its rich, firm, muddy bottom has always yielded them in vast quantities until about 1840, when, to the regret and astonishment of the fishermen (who had mercilessly dredged them up at all seasons, and had killed the goose that had laid the golden eggs), their mine was found exhausted; fine, full-flavored oysters that had been heretofore bought for three or four sous the hundred, now readily sold for three francs and upwards, and even with these prices the oystermen were starving.

In 1859 Professor Coste, by order of the emperor, passed the summer at Arcachon, and studied the then unknown subject of oyster cultivation, located the now flourishing and successful *parcs*, and addressed a report to the emperor urging the immediate replanting of these exhausted beds. The following year his suggestions and plans were carried out under the immediate supervision of this naturalist, with surprising and satisfactory results. Here are nearly two thousand acres of excellent bottom for growing oysters, uncovered by the tide for an average of two hours at each low-water, and with the mild winter climate of the southerly coast of France, this circumstance is of priceless value, as it enables the laborers to work among, and even handle the oysters at will, and render the term "oyster farm" specially applicable to this locality.

A *parc* is regularly laid out like a market garden, into squares of say two hundred feet, a path goes all around and through them, a post is fixed on the corner with the number of the lot painted on it, and a record is kept by the superintendent of what size, quantity and quality of oysters are planted on each, and his books and stock are inspected at stated intervals. Common curved tiles of baked clay, costing less than a sou a piece, have—after experiments with various contrivances—proved to be the most practical method of catching the drifting "spat." These tiles, or *tuiles* as they are called, were used at first just as they came out of the kiln; but it was found that so large a proportion of the "spat" followed with its young shell the inequalities of the surface, grew so firmly to it, and were destroyed in separating them from the tile, that another ingenious plan was adopted. The tiles are dipped into a kind of cement containing sand and hydraulic lime, which, drying in a few minutes, coats them with an evenly rough surface in every way attractive to the "spat." When it was desirable to remove the oysters, a chisel, fashioned to form the curve of the tile, is easily introduced between it and the oyster, which drops off uninjured.

About the middle of May these tiles are arranged in piles, ten feet long, five feet high, and five feet wide, which structures are called *ruches* or *les rushes tuilées*. These tiles are piled in various ways; usually they are placed with the concave roof uppermost, each layer running transversely across the layers beneath it. The sides of the tiles do not touch, but are separated by about three inches

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\* Artificial Oyster Cultivation in France, by F. W. Fellowes.—From *American Naturalist*.  
VOL. LVII.—NO. III.

of space, and often, though not always, adult oysters are laid along in these spaces. When the *ruches* is otherwise completed, heavy stones are placed upon the top to make the mass more solid and safe to resist the action of the stormy waves. Oysters are strewn all around these *ruches*, which are regularly separated from each other by a space of fifteen feet. Between the *ruches* bundles of faggots or *fascines*, bound together in the middle with galvanized wire, are suspended about one foot from the bottom, by a cross piece made fast on two low posts. When the drifting "spat" is ready to adhere to a suitable object, a very large proportion of it is caught, or seeks refuge in one or the other of these friendly asylums, and safely grows to the usual merchantable size.

By the middle of August the oysters have finished their reproductive labors and begin to fatten again, having become very poor during the Summer, but the tiles and faggots are not taken up until a month later. By that time all the "spat" has located itself, and the *ruches* are carefully taken apart, each tile being laid down in the same position as in the *ruche*, side by side in long furrows or ditches prepared for them.

There they are allowed to remain until the following Summer, when the oysters on the upper side of the tiles are removed and planted in beds, hollowed out about three inches deep, running the length of the *parc*; while the tile is then turned over with the roof-side downwards, and the oysters on the other side are left to grow as they at first fixed themselves, unless, being too much crowded they grow upon each other, and irregular shapes; in this case they are thinned out. The writer saw many thousands of tiles in rows, with oysters three years old, and of handsome size, still growing where they first were "set;" but usually they are all removed to the beds the second year, and the tiles, after being redipped in the cement, are again piled as before.

The faggots are taken to some enclosures, which are called *claires*, which are made of solid mason-work, water-tight, where the water can be admitted and excluded at pleasure, and where the waves can have no power, and are there unbound and left to themselves to grow until large enough to be separated from the branches, which is usually six to eight months, when they are treated like those grown upon tiles.

At the end of the third year the oysters have attained the most desirable size and are ready for the market. Those grown in the Imperial *parcs* are not sold but are consumed by the Emperor, presented by him to crowned heads and friends either for use or to stock their private *parcs*, or abandoned to the poor fishermen who on certain days are allowed to gather them.

The princess Batichiochi, a near relation of the emperor, has a large farm in the bay of Quiberon, and sells oysters to supply the Paris restaurants and others in large quantities; and, though her farm was only in its third year, it was, as the superintendent remarked with pride and pleasure, more than paying expenses: but next year! "*Mais l'année prochaine nous ferons des belles affaires allez!*"

The sale of the yearling seed is made a special business by some oystermen, and they bring from four to six francs the thousand. They are put up in round baskets with a small hole in the top, and are kept, at the season of sale, suspended from scaffoldings erected over the water for the purpose, so that the baskets are never above the surface.

The French oyster-growers are very particular that the oysters taken up for market shall lie for five or six days in the *claires* before forwarding them to consumers; this is done in order that all mud and impurities shall be washed out in the pure sea water, and the oyster is certainly whiter and handsomer for this clean bath.

The Marennnes, or green oyster, is colored by being placed in *claires* when the tidal water is let out at certain intervals; a confervoid growth is induced which gives the highly prized color and flavor, and doubles the value of the oyster.

The Ostend oysters are placed in wooden vats, and are frequently tossed and tumbled about by women with rakes, thus breaking off the thin edge of the new growth of shell and forcing it to grow more round and deep. Labor in this country is much too high to make a remunerative cultivation of the oyster in this manner practicable.

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#### THE MOUNT CENIS TUNNEL.

The French Imperial and the Italian Royal Commissioners had an official inspection of the works of the tunnel through the Mount Cenis on the 24th and 25th of July. Of the total length of the 12,220 metres, equal to seven English miles and a half and 235 yards, there were excavated on the 31st of December last 3,900 metres on the Italian or Bardeneche side of the mountain, and 2,435 metres on the Modane or French side; total, 6,335 metres. Between the 1st of January and the 30th of June of the present year, 774 metres were excavated, being the largest number by nearly 200 metres excavated in any one-half year since the commencement of the works in 1857. Of the 744 metres, 415 are on the Italian, and 318 on the French side, making the total excavated at that date 7,109 metres. Ever since the commencement, the progress made on the French side has been slower than on the Italian—thus, while on the 30th of June last the latter had only to execute 1,754 metres, or about an English mile and a tenth, to accomplish its half, on the French side there remained to be excavated 3,357 metres, or nearly two miles and a tenth. If three metres a day could be excavated on the French side, the perforation of the tunnel would be accomplished in three years and three weeks; but, as in all probability it will not be proceeded with more rapidly than two metres a day, it will require four years and 31 weeks to complete it. The tunnel will be lined in its entire length with stone quarried in the immediate vicinity of the two entrances. At the present time the excavations, or headings, are about 1,500 metres in advance of the amount lined. Each metre excavated and lined hitherto has cost, on an average, 11,000 francs, and various circumstances will tend to increase this expenditure as the works proceed further inward. The approach on the French side, to connect its entrance at Modane with St. Michel (the present termination of the railway system of France in the direction of the Mont Cenis); will be twelve miles long, through an extremely difficult and mountainous country. On the Italian side the amount of railway to be constructed from Bardeneche to connect it, in the neighborhood of Susa, with the railway system of Italy, will be 22½ miles. The whole of these works will be of a very heavy and expensive character. They

now about to be let, and the time to be allowed by the contract for their completion is to be four years and a half. The length of the railway, *via* the tunnel from St. Michel to Susa, will be 42 miles, or  $6\frac{1}{2}$  miles shorter than that now nearly finished on the outside of the Mont Cenis Pass, and known as the "Fell Railway," from its being constructed in accordance with the patents of the gentleman of that name. The only delay to the opening of this railway for traffic is the non-delivery of its rolling stock, but this difficulty will, it is expected, be overcome by the middle of September. As regards transit through the tunnel, in consequence of the average gradient on the French half being one in  $45\frac{1}{2}$ , and the steepest gradient on the line being one in 28, it will not be possible for a train to go through from the North to the South in less than from 38 to 40 minutes. Coming from the South to the North the ascent is much more gradual, but even in this case the transit will occupy from 30 to 32 minutes as a minimum. It has yet to be seen whether passengers would not prefer the outside line instead of being shut up in a tunnel so long as we have just stated. It is for this, among other reasons, that many persons expect the Fell Railway, which only possesses a concession for working until the tunnel line is opened for traffic, will have its privileges extended so as to make it practically a permanent concession.—*London Times*, Aug. 8.

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#### MINERAL PHOSPHATE OF LIME.

The use of apatite, or mineral phosphate of lime, as a fertilizer, is at present attracting considerable attention in Europe, and from recent experiments made, in comparison with other fertilizing substances, this mineral promises to take high rank among fertilizers. The native phosphate of lime, or apatite, is a hard and often well-crystallized mineral, chiefly composed of phosphoric acid and lime, and, as stated by Professor Johnson, is found in Devonshire and Cornwall, England, and also in Scotland, but as yet not in sufficient quantity to allow of its being collected for economical purposes. On the continent it is found in several places, as in the Tyrol, Bohemia, Bavaria, Sweden, and Norway. Most commonly it occurs in thin seams, imbedded in crystalline or volcanic rocks, but seldom in sufficient quantity to repay the cost of working. In America it is found imbedded in granite at Baltimore, in gneiss at Germantown, and in granite in Connecticut, New Hampshire, and Maine, and also in Canada and various other localities. Mineralogists distinguish several varieties of apatite, but generally speaking it has a light green or a reddish color. The beds found in Canada are said to be extensive, and the mineral is equal if not superior to that found in Europe. An analysis of the Canada apatite gives the following result:

Phosphate of lime.....	91.80	Insoluble.....	0.90
Fluoride of calcium.....	7.60		
Chloride of calcium.....	0.78		100.48

This mineral is found in extensive beds and deep veins on the border of the Rideau river, and accessible to river craft. It will, doubtless, be found in many places in the United States also, where its presence has not yet been discovered.

Guano is limited in supply, and moreover the opinion is gaining ground in Europe that it is exhaustive to the soil, whereas apatite is enriching and sustaining. A number of experiments have recently been made with this fertilizer in England, with most satisfactory results. One of these trials was made by Sir Harry Verney. The soil on which he applied the phosphate was a heavy sandy loam, resting on a clayey subsoil. The ground was sown with chevalier barley with the following result :

	Manure per acre—		Produce.	
	Tons.	Cwts.	Tcs.	Bush.
Soil simple.....				32½
Burnt bones.....	0	18	0	43½
Unburnt bones.....	1	7	0	40
Pigeons' dung.....	0	18	0	61
Spanish phosphorite and sulphuric acid.....	0	18	0	51½
Spanish phosphate alone.....	0	18	0	43½
Superphosphate of lime.....	1	6	3	48½
Stable-yard dung.....	20	0	0	66

Another experiment upon the growth of turnips, was made by Dr. Daubeny, of England, with the following result :

	Roots, lbs.	Tops, lbs.
Soil simple produced per acre.....	14,398	30,591
Manured with 10 cwt. bone shavings.....	19,339	35,310
Spanish phosphorite alone, 12 cwt.....	23,639	42,018
Spanish phosphorite 12 cwt. mixed sulphuric acid.....	30,969	34,478
South American guano, 260 pounds.....	31,114	47,060
Bones with sulphuric acid, 11 cwt.....	31,898	17,600
Bones finely powdered, 12 cwt.....	36,185	45,446
Stable dung, 22 tons.....	39,476	49,921

These trials entirely accord with the experience of others on the native phosphate of lime, and show that, while in every instance a considerable increase of crop was obtained by the addition of certain fertilizers, the Spanish phosphate, especially when its action was quickened by the addition of sulphuric acid, proved nearly as efficacious as bones themselves, unless, indeed, when the latter was very finely powdered.

#### SPANISH RAILROADS.

According to a statement of the Spanish Minister of Agriculture and Commerce, the amount of capital realized and subventions received by the different railroads and canal companies in Spain up to December 31, 1865, was as follows :

	Railroads.	Canals.	Total.
Nominal capital assigned by statutes.....	£39,519,511	£5,520,000	£45,039,511
Capital represented by shares issued.....	27,993,074	1,900,000	29,736,074
Subvention assigned by laws of conces's.....	17,893,646	200,000	17,561,646
Capital in hand from shares.....	24,397,610	1,444,738	25,842,348
Subventions received.....	11,458,519	200,000	11,648,519
Nominal value of shares issued.....	61,642,597	530,000	62,112,597
Nominal value of shares taken up.....	54,777,354	530,000	55,307,354
Net value received.....	27,791,977	465,670	28,257,647
Total amount of shares and subventions.....	62,750,333	2,110,402	64,861,335
Net produce of traffic for 1865.....	2,927,450	476,606	3,404,056
Estimated amount necessary for the completion of all lines.....	31,764,217	118,606	31,882,823

At the end of 1865 the number of kilometres in work was, as regards railroads, 4,712 (2,928 miles), the number in course of construction was 806 (501 miles), and the number projected was 1,035 (643 miles)—total 6,553 kilometres or 4,072 miles. Of canals in work, the total length was 665 kilometres, or 403 miles.



## CITY AND COUNTY DEBTS OF NEW YORK STATE.

The following figures, taken from the *New York Convention Manual*, exhibit the war and other debts of each county in this State, as nearly as can be ascertained. The total amount, it will be seen, is upwards of \$89,000,000, of which the city and county of New York owes nearly \$34,000,000:

Counties.	For railroad subscription and aid.	Miscellaneous, For bounties to county, city, volant's & other town & village war ex-			Total amount of debts.
		For roads & bridges.	debts.	penses.	
Albany.....	\$300,000 00	\$20,750 75	\$1,980,850 00	\$1,744,250 60	\$4,546,250 75
Allegany.....		1,515 00	17,438 00	74,548 50	93,496 50
Broome.....	180,000 00	7,900 00	47,637 00	266,037 82	421,614 82
Cattaraugus.....	18,000 00	650 00	19,030 00	10,544 72	48,194 72
Cayuga.....	193,250 00	3,833 33	103,333 33	647,939 19	947,906 85
Chautauqua.....	170,000 00	887 80	4,086 28	5,900 00	180,813 58
Chemung.....		250 00	202,847 72	341,394 19	544,491 88
Chenango.....	911,348 54			468,547 17	1,389,895 71
Clinton.....		1,013 29	3,600 00	191,890 15	195,503 44
Columbia.....	155,000 00	500 00	83,400 00	309,758 95	548,658 95
Cortland.....	28,000 00	3,750 00	82,000 00	679,940 00	803,690 00
Delaware.....	606,890 00		150 00	110,428 45	717,398 45
Dutchess.....		86 00	442,097 70	547,400 00	989,583 70
Erie.....	150,000 00	2,196 00	346,000 00	818,266 91	1,316,452 91
Essex.....		1,390 94		192,699 49	193,990 43
Franklin.....		2,175 00	5,000 00	149,853 75	157,028 75
Fulton.....	275,974 00	1,735 00	15,000 00	147,336 00	439,785 00
Genesee.....			10,500 00	423,347 00	433,847 00
Greene.....	10,000 00	1,689 23	400 00	526,300 00	528,399 23
Hamilton.....		3,860 00	730 00	88,721 00	93,311 00
Herkimer.....	50,000 00	7,486 99	700 00	140,383 54	199,033 53
Jefferson.....	150,000 00	16,479 36	20,686 49	1,394,061 48	1,431,225 33
Ki-ga.....			10,860,419 92	3,717,000 00	14,577,419 92
Lewis.....	180,000 00	699 46	17,050 00	74,131 22	271,880 68
Livingston.....	100,000 00	9,000 00	500 00	154,951 72	264,451 72
Madison.....	387,300 00	1,400 00	16,390 09	6,342 73	411,432 84
Monroe.....	252,000 00	122,015 21	399,883 54	1,660,340 17	2,634,237 92
Montgomery.....		11,843 53	172 50	226,727 80	238,743 89
New York.....			25,889,445 01	8,069,100 00	33,958,545 01
Niagara.....		2,000 00		572,800 00	574,800 00
Oneida.....	215,000 00	6,358 25	753,570 45	8,560 00	978,478 70
Onondaga.....	30,000 00	10,150 60	87,999 98	1,292,120 00	1,410,269 98
Ontario.....		1,000 00	1,920 00	498,060 00	500,980 00
Orange.....	120,000 00	7,750 00	1,321 65	903,350 11	1,032,321 76
Orleans.....		2,000 00		289,860 00	291,860 00
Oswego.....	68,000 00	12,394 30	91,555 69	817,511 00	989,360 99
Otsego.....	856,000 00	2,200 00		111,996 95	970,196 95
Putnam.....			13,920 00	98,351 71	107,271 71
Queens.....		40,000 00		1,159,651 00	1,199,651 00
Rensselaer.....	271,000 00	5,775 28	762,653 00	1,090,734 20	2,080,353 48
Richmond.....	12,310 00		66,304 28	801,850 00	879,364 28
Rockland.....		3,000 00	100 00	140,057 08	143,157 08
St. Lawrence.....		25,550 00	111,000 00	750,413 85	886,963 85
Saratoga.....		150 60	835 00	498,799 80	499,784 30
Schenectady.....	30,000 00		27,400 00	123,433 83	190,833 83
Schoharie.....	234,000 00	750 00	423 67	93,984 00	419,156 67
Schuyler.....		3,317 00	11,641 71	141,129 04	156,087 75
Seneca.....		750 00	12,737 75	371,125 33	384,693 08
Steuben.....		2,465 00	3,100 00	568,624 66	574,189 66
Suffolk.....			1,735 00	260,099 94	261,834 94
Sullivan.....	103,500 00		6,350 00	326,411 00	441,361 00
Tioga.....	67,600 00	300 00		151,800 00	229,700 00
Tompkins.....	50,000 00	20,773 73	150 00	27,184 85	98,028 58
Ulster.....	1,094,008 15	1,090 00		1,585,875 00	2,680,973 15
Warren.....		250 00		87,278 05	87,528 05
Washington.....			8,500 00	299,335 00	307,835 00
Wayne.....		8,000 00	20,000 00	303,969 00	331,969 00
Westchester.....		114,500 00	34,700 00	1,920,486 55	2,069,686 55
Wyoming.....		1,200 00		8,840 00	5,040 00
Yates.....		3,512 32	3,700 00	22,422 33	30,634 70
Total.....	\$7,793,710 69	\$457,668 32	\$42,530,907 08	\$33,298,749 37	\$89,081,035 93

## PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st August and 1st September, 1867:

DEBT BEARING COIN INTEREST.					
	August 1.	September 1.	Increase.	Decrease.	
5 per cent. bonds.....	\$198,481,850 00	\$198,481,850 00	\$.....	\$.....	
6 " '67 & '68.....	14,983,141 80	14,869,791 80	.....	63,350 00	
6 " 1861.....	283,746,400 00	283,676,100 00	.....	70,300 00	
6 " (5-20's).....	1,168,796,800 00	1,208,710,500 00	36,913,700 00	.....	
Navy Pen. F'd 6 p.c.....	18,000,000 00	18,000,000 00	.....	.....	
Total.....	1,678,906,691 80	1,715,687,741 80	36,781,050 00	.....	

DEBT BEARING CURRENCY INTEREST.					
6 per ct. (R.R.) bonds.....	\$15,402,000 00	\$16,846,000 00	\$944,000 00	\$.....	
3-yars com. int. n'tes.....	108,339,430 00	78,839,600 00	.....	29,499,830 00	
3-years 7-30 notes.....	451,323,435 00	400,786,035 00	.....	50,447,400 00	
Total.....	574,964,865 00	496,971,635 00	.....	78,993,230 00	

MATURED DEBT NOT PRESENTED FOR PAYMENT.					
Various notes & b'ds.....	15,636,515 87	12,440,375 87	\$3,803,560 00	.....	

DEBT BEARING NO INTEREST.					
United States notes.....	\$369,164,844 00	\$365,164,844 00	\$.....	\$4,000,000 00	
Fractional currency.....	28,554,739 73	29,323,173 97	837,433 26	.....	
Gold certl. of deposit.....	19,437,960 00	15,463,700 00	.....	3,995,260 00	
Total.....	417,177,533 73	410,019,716 97	.....	7,157,816 75	
Aggregate debt.....	2,686,685,906 89	2,641,119,429 64	.....	45,566,436 75	
Coin and currency in Treasury.....	175,379,470 88	148,336,994 59	.....	27,042,375 79	
Debt, less coin and currency.....	2,511,306,436 01	2,492,782,365 05	.....	18,523,080 96	

The following statement shows the amount of coin and currency separately at the dates in the foregoing table:

	August 1.	September 1.	Increase.	Decrease.	
Coin.....	\$102,905,174 00	\$101,323,020 00	\$.....	\$1,642,154 00	
Currency.....	72,474,396 88	47,073,974 59	.....	25,401,221 79	
Total coin & curr'y.....	175,379,470 88	148,336,994 59	.....	27,042,375 79	

The annual interest payable on the debt as existing August 1 and September 1, 1867, exclusive of the compound interest notes, compares as follows:

ANNUAL INTEREST ON DEBT.					
	August 1.	September 1.	Increase.	Decrease.	
Coin—5 per cents.....	\$9,921,567 50	\$9,921,567 50	\$.....	\$.....	
6 " " 67-68.....	885,823 51	882,187 51	.....	3,741 00	
6 " 1861.....	17,024,784 00	17,020,566 00	.....	4,218 00	
6 " 5-20's.....	70,127,808 09	72,343,630 00	2,214,823 90	.....	
6 " N. P. F.....	780,000 00	780,000 00	.....	.....	
Total coin interest.....	\$98,739,088 01	\$100,965,951 01	\$2,206,863 00	.....	
Currency—6 per cents.....	924,120 00	930,760 00	6,640 00	\$.....	
7-30 ".....	82,940,040 03	29,267,379 52	.....	3,682,660 29	
Total currency interest.....	\$83,864,160 03	\$30,328,139 52	\$.....	\$3,626,020 20	
Aggregate coin & currency, excl. comp. interest notes.....	\$182,614,248 08	\$131,196,090 53	\$.....	\$1,419,157 20	

The matured debt not presented for payment consisted on the 1st September of the following bonds and notes:

Comp'd int. notes matured June 10, July 15, and Aug. 15, 1867.....	\$12,672,730 00
Bonds of Texas Indemnity.....	263,000 00
Treasury notes, Acts of July 17, 1861, and prior thereto.....	185,312 04
Bonds of April 15, 1812.....	64,768 68
Treasury notes of March 2, 1863.....	969,880 00
Temporary loan.....	5,279,185 55
Certificates of Indebtedness.....	36,000 00
Total amount.....	\$19,440,375 87

## COMMERCIAL CHRONICLE AND REVIEW.

The Public Debt—Stock Exchange—Prices of Governments—Course of Consols and American Securities at London—Receipts and Shipments of Coin and Bullion—Movement of Coin and Bullion—Course of Gold at New York—Course of Foreign Exchange at New York.

If any persons have doubted whether Mr. McCulloch has had a settled policy in managing the public debt, an examination of the successive monthly schedules registering the movements of that debt, will effectually settle the question. The policy adopted has not, perhaps, in some of its minor details, been the best possible, but that there has been such a policy, and that it has been pretty consistently worked out, Mr. McCulloch has given abundant proofs during his two or three years of office. One of the great necessities which controls this policy is, of course, the consolidation of the debt. Money was borrowed during the war by the issue of many different kinds of securities. These obligations are either to be paid off as they mature, or else they must be consolidated into bonds. It is this process of paying or funding which constitutes the chief popular interest in the monthly debt statements. In that of August, which will be found in this issue of the *Magazine*, it will be seen that nearly 37 millions of Seven-thirties have been funded into Five-twenties, while 13 millions more have been paid off in cash, together with 17 millions of compound interest notes. This is the first point of interest in the statement; a second is the contraction of the greenback currency, to the extent of four millions. This contraction, however, is of small immediate importance in the existing plethora of the money market.

Another important fact which has been much discussed is the rapid depletion of the currency balance, which has fallen to 47 millions, and may perhaps go still lower. So long as the government has to pay eight per cent. for money, it is deemed inexpedient and contrary to sound economy to hold any larger amount of idle currency than is absolutely indispensable in the coffers of the Department. It is evident that those who have most earnestly contended against the policy of holding heavy balances have overlooked the reasons which forced that policy on the Secretary, and forbade him until now to abandon it. So far as the consolidation of the public debt is concerned, we have just reached, and have safely passed, what for two or three years has been looked forward to as the most critical and dangerous period in our National finances. In the fall of 1865, as a consequence of the disbanding of the army and the closing of the war, we had a vast sum due to Treasury creditors which was liable to be demanded at almost any moment. There were the call loans, for which we were paying 5 and 6 per cent. interest, the aggregate being over 106 millions of dollars; the one and two year notes amounted to 33 millions, and the one-year certificates to 85 millions, all of which were rapidly maturing. The embarrassment produced by such short loans was so severe when they were from time to time paid off, that the greatest possible anxiety was felt as to the other short-date indebtedness, and the fact was pointed out that such obligations fell due in the autumn of the present year to a heavy amount. In one month 300 millions of three-year Seven-Thirties matured, and a part of the 217 millions of three-year Compound Interest notes. The aggregate was variously estimated from 350 to 450 millions, all of which, under certain contingencies, might be payable in cash. The inevitable result it

was supposed would be, that the Government would be forced to issue an indefinite amount of legal tender notes to extricate itself from its engagements.

Such were the sinister predictions of the croakers in 1865. The Treasury was sure to have the greatest possible difficulty in meeting its maturing engagements, and to be kept in perpetual embarrassment until at length the trouble culminated in further inflation of the currency, with all the loss and derangement to business which such a mischievous expedient would bring on the country. Mr. McCulloch had at that time been for a few months only at the head of the Treasury Department. But he had set in operation the machinery for consolidating the public debt and averting the predicted catastrophe, which, if it had occurred, must have depressed Government securities below par, besides introducing an element of perturbation, incertitude, and distrust into all commercial and financial engagements. To see how this consolidation machinery worked let us pass on to the fall of 1866. During that interval of twelve months the aggregate of the debt had fallen from 2,874 millions to 2,708 millions, the temporary loan was reduced to 45 millions, the debt certificates had disappeared from the schedule altogether, and 50 millions of Compound Notes had been withdrawn, as well as 61 millions of Seven-Thirties. Such was the signal manner in which, the fears of financial trouble were disappointed, and what was most important of all was that the greenback circulation, instead of increasing, was curtailed from \$433,160,509 on the 1st Sept., 1865, to \$391,603,592 on the 1st Sept., 1866.

In the report which has just been issued we see the same policy carried one step further. The temporary loans have been paid off, as have all the short date securities which have matured, with the exception of a small amount of unclaimed clearing house certificates, Compound Notes, and Seven-Thirties, none of which will cause the least anxiety to the Treasury. The greenback currency has been reduced to 365 millions, or about 100 millions less than it was in 1864. The Compound Notes have fallen to 91 millions, none of which will mature till October, when the 3 per cent. reserve certificates will if necessary be available to pay them off. In a word, we have already passed the severest test to which our national debt is likely to subject the financial machinery of the country, and such is the force of that machinery, so great its elasticity and recuperative power, that the whole of this gigantic task has been accomplished without a single jerk or spasm being complained of in the money market. A glance at the debt statement will show, however, that much remains to be done in the consolidation of the debt and in the simplification of its numerous short securities into a few descriptions of bonds at long dates. The debt amount at present to 2,505 millions net, of which 800 millions are unfunded. A year ago the unfunded debt was nearly 1,300 millions, and two years ago 1,650 millions. How soon the whole amount shall be funded is one of the matters respecting which Congress will have to decide, as it involves questions touching the cancelling of greenbacks and the contraction of the currency. It is sufficient for the present to know, that within a year from this time all the floating debt, except such part of the outstanding greenbacks as Congress may decide to leave afloat, will be consolidated in such a form as to cause no such trouble to the Treasury Department as will necessitate the keeping of the large balance of idle currency which for some time past has been more or less necessary.

The lowest and highest quotations for U. S. 6's (5-20 years) of 1862 at Frankfurt in the weeks ending Thursday have been as follows:

	Aug. 8.	Aug. 15.	Aug. 22.	Aug. 29.
Frankfort.....	76% @ 77%	77% @ 77%	77 @ 77%	76% @ 77%

The amount of Government bonds and notes, State and city bonds, and company bonds, sold at the New York Stock Exchange Board in the two first quarters and in July and August, and the total since January 1, is shown in the statement which follows:

**BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.**

	1st quarter.	2d quarter.	July.	August.	S'ce Jan. 1.
U. S. bonds.....	\$18,708,650	\$40,888,350	\$10,171,900	\$15,772,150	\$85,085,050
U. S. notes.....	4,792,480	2,847,600	4,170,600	4,458,900	16,768,580
St'e & city b'ds.....	8,834,100	7,601,650	3,683,000	1,973,500	22,142,250
Company b'ds.....	2,216,200	2,367,700	615,000	723,000	5,925,900
Total 1867.....	\$34,595,430	\$53,705,300	\$18,640,500	\$22,931,550	\$139,973,080
Total 1866.....	32,600,540	36,414,350	14,765,800	16,544,750	100,325,140

The daily closing prices of the principal government securities at the New York Stock Exchange Board are shown in the following statement:

**PRICES OF GOVERNMENT SECURITIES AT NEW YORK, AUGUST, 1867.**

Day of month.	6's, 1891.	6's, 1891.	6's, 1891.	6's, 1891.	6's, 1891.	6's, 1891.	6's, 1891.	6's, 1891.	6's, 1891.
	Coup.	Reg.	1862.	1863.	1864.	1865.	1866.	1867.	1868.
Thursday 1.....	110%	111%	109%	108%	108%	108%	108%	108%	107%
Friday 2.....	110%	111%	109%	110	108%	108%	108%	108%	107%
Saturday 3.....	110%	111%	109%	110	108%	108%	108%	108%	107%
Sunday 4.....	110%	111%	109%	110	108%	108%	108%	108%	107%
Monday 5.....	110%	111%	109%	110	108%	108%	108%	108%	107%
Tuesday 6.....	110%	111%	109%	110	108%	108%	108%	108%	107%
Wednesday 7.....	111%	112%	110%	110	108%	108%	108%	108%	107%
Thursday 8.....	112%	113%	110%	111	108%	108%	108%	108%	107%
Friday 9.....	111	113%	110%	110%	108%	108%	108%	108%	107%
Saturday 10.....	111	113%	110%	110%	108%	108%	108%	108%	107%
Sunday 11.....	111	113%	110%	110%	108%	108%	108%	108%	107%
Monday 12.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Tuesday 13.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Wednesday 14.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Thursday 15.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Friday 16.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Saturday 17.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Sunday 18.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Monday 19.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Tuesday 20.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Wednesday 21.....	111	113%	110%	110%	108%	108%	108%	108%	107%
Thursday 22.....	110%	113%	110%	110%	108%	108%	108%	108%	107%
Friday 23.....	111	113%	110%	110%	108%	108%	108%	108%	107%
Saturday 24.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Sunday 25.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Monday 26.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Tuesday 27.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Wednesday 28.....	111	113%	110%	110%	108%	108%	108%	108%	107%
Thursday 29.....	111	113%	110%	110%	108%	108%	108%	108%	107%
Friday 30.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
Saturday 31.....	111%	113%	110%	110%	108%	108%	108%	108%	107%
First.....	110%	110%	111%	109%	108%	108%	108%	108%	107%
Lowest.....	116%	110%	111%	109	108%	107%	108%	108%	107%
Highest.....	112%	111	114%	110%	111	108%	108%	108%	107%
Range.....	1%	0%	8	1%	1%	0%	0%	0%	0%
Last.....	111%	110%	114%	109%	111	108%	108%	108	107%

The quotations for Three-years' Compound Interest Notes on each Thursday of the month have been as shown in the following statement:

**PRICES OF COMPOUND INTEREST NOTES AT NEW YORK, AUGUST, 1867.**

Issue of	August 1	August 8.	August 15.	August 22.	August 29.
August, 1864.....	119% @ 119%	119% @ 119%	Dne.	@	@
October, 1864.....	118% @ 118%	118% @ 118%	118% @ 119%	118% @ 119%	118% @ 119%
December, '64.....	117% @ 117%	117% @ 117%	117% @ 118%	117% @ 119%	117% @ 118%
May, 1865.....	116% @ 117%	116% @ 117%	117 @ 117%	116% @ 117%	116% @ 117%
August, 1865.....	116% @ 116%	115% @ 116%	116 @ 116%	116 @ 116%	116 @ 116%
September, '65.....	115% @ 115%	115% @ 116%	115% @ 115%	115% @ 115%	115% @ 115%
October, 1865.....	114% @ 115%	114% @ 115%	115 @ 115%	115 @ 115%	115 @ 115%

The first series of figures represents the buying and the last the selling price, at first-class brokers' offices.

The following are the closing quotations at the regular board on Friday of each of the last seven weeks.

	July 26.	Aug. 2.	Aug. 9.	Aug. 16.	Aug. 23.	Aug. 30.	Sept. 6.
Cumberland Coal.....	38½	38½	38½	38½	38½	38½	38½
Quicksilver.....	84½	84½	84½	81	27½	28½	28
Canton Co.....	53½	51½	49½	49	.....	.....	47½
Mariposa pref.....	22½	21	21	.....	.....	.....	20
New York Central.....	109½	x.d.106½	104	105½	105	105½	106½
Erie.....	74½	75½	69½	70½	69½	70½	9½
Hudson River.....	119½	120	120	124	124½	124½	124½
Reading.....	107½	106½	104½	104½	104	104	103½
Michigan Southern.....	83	80½	80½	82½	81	82½	82½
Michigan Central.....	113½	.....	110½	.....	110	110	111
Cleveland and Pittsburg.....	91½	94½	93½	93½	93	94	82
Cleveland and Toledo.....	124½	123	124½	123	.....	123½	123
Northwestern.....	48½	48½	45½	46½	45½	46½	46
" preferred.....	72½	70½	69	70½	69½	70½	70½
Rock Island.....	104	101½	101½	103½	102½	103½	104½
Fort Wayne.....	166½	166½	165	165½	163½	165½	166
Illinois Central.....	119	118½	119	119½	119	.....	120½

The receipts and shipments of coin and bullion at New York in the two first quarters, and the months of July and August, and the total since Jan. 1, have been as shown in the following statement :

RECEIPTS AND SHIPMENTS OF COIN AND BULLION AT NEW YORK.

	First Quarter.	Second quarter.	July.	August.	Since Jan. 1.
Receipts from California.....	\$3,109,861	\$6,899,555	\$2,662,130	\$3,967,100	\$19,538,555
Import from foreign ports.....	409,077	1,147,619	53,606	540,244	2,153,546
Total receipts.....	\$3,518,938	\$8,047,174	\$2,715,736	\$4,507,344	\$21,792,101
Export to foreign ports.....	6,568,958	18,028,709	13,579,894	1,714,594	\$9,892,155
Excess of exports.....	\$48,020	\$9,981,535	\$10,864,158	.....	\$18,087,954
Excess of receipts.....	.....	.....	.....	\$2,792,750	.....

The following statement shows the amount of receipts and exports in August and since January 1, for seven years :

	California Receipts—		Foreign Imports—		Foreign Exports—	
	Aug.	Since Jan. 1.	Aug.	Since Jan. 1.	Aug.	Since Jan. 1.
1867.....	\$3,967,100	\$19,538,555	\$482,000	\$2,105,803	\$3,589,178	\$40,754,789
1868.....	4,437,059	27,503,574	161,519	1,463,097	1,587,551	53,171,740
1869.....	1,978,177	11,711,294	153,073	1,501,235	1,554,898	20,194,143
1870.....	1,241,155	7,775,571	245,353	1,800,994	1,001,014	53,100,464
1871.....	531,118	8,354,953	113,577	1,149,890	3,456,261	29,166,109
1872.....	2,070,193	16,013,738	22,703	823,259	3,713,533	39,757,220
1873.....	4,245,753	23,421,160	1,049,532	32,363,718	3,600	3,264,058

The course of the gold premium has been steadily upward. The export movement has been limited, but the customs demand has been very large, the total requirements for that purpose being close upon thirteen millions. The Cabinet changes and rumors of changes, the apprehension of trouble growing out of the German question, pacific assurances by the cable notwithstanding; and the reported fact that at the close of the fiscal year there was outstanding against the United States a trade balance of about sixty millions in gold—these considerations have each had a tendency to put up the premium. The Treasury has sold coin during the month to nearly the extent of the customs receipts at this port.

The following formula furnishes the details of the gold movement :

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1st quarter.	2d quarter.	July.	August.	Since Jan. 1.
In banks at commen't.....	\$13,185,232	\$5,522,609	\$7,768,996	\$8,733,094	\$18,185,232
Rec's from California.....	6,109,861	6,899,555	2,662,139	3,967,100	19,538,555
Imp't from for'n coin's.....	409,077	1,147,619	53,606	540,244	2,153,546
Coin int'et p'd by U.S.....	10,883,303	17,793,025	16,306,571	631,067	45,568,768
Total repo'd sup'y.....	\$30,542,463	\$24,362,808	\$24,704,112	\$13,566,505	\$90,487,945
Exp. to for'n count's.....	\$6,568,958	\$18,028,709	\$13,519,894	\$1,714,594	\$39,892,155
Customs duties.....	\$3,170,628	\$7,185,586	\$7,794,404	\$2,903,740	\$3,054,658
Total withdrawals.....	\$9,739,586	\$25,214,295	\$21,314,298	\$4,618,334	\$122,884,813
Excess of rep'd sup'y.....	\$20,802,877	\$-1,851,487	\$3,476,814	.....	.....
Excess of withdrawals.....	\$9,195,123	\$10,851,785	.....	\$1,751,599	\$43,423,694
In banks at close.....	8,523,609	7,768,996	8,733,094	7,371,595	7,371,595
Def't in reported sup'y, made up from unreported sources.....	\$17,717,782	\$18,630,793	\$5,258,390	\$8,022,494	\$49,620,319

The statement, which follows, shows the daily fluctuations in the price of American gold coin at the Exchange Gold Room during the month of August:

## COURSE OF GOLD AT NEW YORK, AUGUST, 1867.

Date.	Open'g	Lowest	High'et	Closing	Date.	Open'g	Lowest	High'et	Closing
Thursday.....	1 139%	139%	140%	140%	Wednesday.....	21 141%	140%	141%	141%
Friday.....	2 140	139%	140%	140%	Thursday.....	22 141%	140%	141%	140%
Saturday.....	3 140%	140%	140%	140%	Friday.....	23 140%	140%	140%	140%
Sunday.....	4 .....	.....	.....	.....	Saturday.....	24 141	140%	141%	140%
Monday.....	5 140%	140	140%	140	Sunday.....	25 .....	.....	.....	.....
Tuesday.....	6 140%	139%	140%	140%	Monday.....	26 140%	140%	141%	140%
Wednesday.....	7 140%	140	140%	140%	Tuesday.....	27 141%	141	141%	141%
Thursday.....	8 140%	140%	140%	140%	Wednesday.....	28 141%	141%	142%	142
Friday.....	9 140%	140	140%	140%	Thursday.....	29 141%	141%	142	141%
Saturday.....	10 140%	140	140%	140%	Friday.....	30 142	141%	142%	141%
Sunday.....	11 .....	.....	.....	.....	Saturday.....	31 141%	141%	141%	141%
Monday.....	12 140%	140%	14%	140%	Aug. 1867.....	139%	139%	142%	141%
Tuesday.....	13 140%	140%	141	140%	" 1868.....	149	146%	152%	147%
Wednesday.....	14 140%	140%	140%	140%	" 1865.....	144%	140%	145%	144%
Thursday.....	15 140%	140%	140%	140%	" 1864.....	255	251%	251%	258
Friday.....	16 140%	140%	140%	140%	" 1863.....	129%	122%	129%	127%
Saturday.....	17 140%	140%	141	140%	" 1862.....	115%	112%	116%	115%
Sunday.....	18 .....	.....	.....	.....	Since Jan. 1, 1867.....	132%	132%	142%	141%
Monday.....	19 141	141	141%	141%					
Tuesday.....	20 141%	141%	141%	141%					

Foreign exchange has ruled steady throughout the month, at a fraction below the specie shipping point. The supply of bills has been strictly moderate, and the demand equally so. Bankers have not drawn much against account.

The following table shows the course of foreign exchange, daily, for the month:

## COURSE OF FOREIGN EXCHANGE (60 DAYS)—AT NEW YORK—AUGUST.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....	109% @ 110%	518% @ 519%	41% @ 41%	78 @ 79%	35% @ 36%	72% @ 72%
2.....	109% @ 110%	518% @ 519%	41% @ 41%	78 @ 79%	35% @ 36%	72% @ 72%
3.....	109% @ 110	518% @ 518%	40% @ 41%	78% @ 79	35% @ 36%	71% @ 72%
4.....	109% @ 110	518 @ 518%	41% @ 41%	78 @ 79%	35% @ 36%	72% @ 72%
5.....	109% @ 110	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
6.....	109% @ 109%	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
7.....	109% @ 109%	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
8.....	109% @ 109%	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
9.....	109% @ 109%	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
10.....	109% @ 109%	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
11.....	109% @ 109%	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
12.....	109% @ 109%	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
13.....	109% @ 109%	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
14.....	109% @ 109%	518% @ 518%	40% @ 41%	78 @ 78%	35% @ 36%	71% @ 72%
15.....	109% @ 109%	517% @ 518%	40% @ 41%	78% @ 78%	36 @ 36%	71% @ 72%
16.....	109% @ 109%	517% @ 518%	41% @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
17.....	109% @ 109%	517% @ 518%	41% @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
18.....	109% @ 109%	517% @ 518%	41% @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
19.....	109% @ 109%	517% @ 518%	41% @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
20.....	109% @ 109%	517% @ 518%	41% @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
21.....	109% @ 109%	517% @ 518%	41% @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
22.....	109% @ 109%	517% @ 518%	41% @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
23.....	109% @ 109%	517% @ 518%	41% @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
24.....	109% @ 109%	518% @ 518%	40% @ 41	78 @ 78%	35% @ 36%	71% @ 72%
25.....	109% @ 109%	518% @ 518%	40% @ 41	78 @ 78%	35% @ 36%	71% @ 72%
26.....	109% @ 109%	518% @ 518%	41 @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
27.....	109% @ 109%	518% @ 518%	41 @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
28.....	109% @ 109%	518% @ 518%	41 @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
29.....	109% @ 109%	518% @ 518%	41 @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
30.....	109% @ 109%	518% @ 518%	41 @ 41%	78% @ 78%	36% @ 36%	72 @ 72%
31.....	109% @ 109%	518% @ 518%	40% @ 41	78% @ 78%	35% @ 36%	71% @ 72%
Aug.....	109% @ 110%	518% @ 519%	40% @ 41%	78 @ 79%	35% @ 36%	71% @ 72%
July.....	109% @ 110%	517% @ 511%	40% @ 41%	78 @ 79%	36 @ 36%	72 @ 72%
June.....	109% @ 110%	518% @ 511%	40% @ 41%	78% @ 79%	36 @ 36%	72 @ 72%
May.....	109% @ 110%	520 @ 510	40% @ 41%	78% @ 79%	36 @ 36%	72 @ 72%
Apr.....	108% @ 107%	522% @ 512%	40% @ 41%	78% @ 79%	35% @ 36%	71% @ 72%
Mar.....	108 @ 109%	525 @ 515	40% @ 41%	78 @ 79%	35% @ 36%	71% @ 72%
Feb.....	108% @ 109	523% @ 515	40% @ 41%	78% @ 79%	36 @ 36%	71% @ 72%
Jan.....	108% @ 109%	520 @ 513%	41% @ 41%	78% @ 79%	36% @ 36%	72 @ 72%
Since Jan. 1.....	108 @ 110%	525 @ 510	40% @ 41%	78 @ 80	35% @ 36%	71% @ 72%

## JOURNAL OF BANKING, CURRENCY, AND FINANCE.

## Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

## NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5	\$257,852,460	12,794,992	32,762,779	202,532,564	65,026,121	486,967,787
January 12	258,935,458	14,612,477	32,523,108	202,517,098	63,246,370	605,183,006
January 19	258,032,222	15,365,307	33,854,928	201,800,115	63,335,358	520,040,028
January 26	251,674,803	16,014,087	33,957,196	197,982,076	63,426,559	568,922,574
February 2	251,264,865	16,332,931	32,295,247	200,511,596	65,944,541	512,407,258
February 9	250,268,585	16,157,257	32,777,000	198,241,585	67,628,932	648,585,532
February 16	255,151,322	14,791,626	32,955,309	196,072,292	64,042,940	455,532,522
February 23	257,822,994	13,513,456	33,006,141	198,480,347	63,153,835	413,974,086
March 2	261,156,486	11,879,881	32,294,433	198,018,914	63,014,193	466,534,579
March 9	262,141,468	10,868,152	33,409,511	200,233,527	64,525,440	544,173,256
March 16	263,012,973	9,968,732	32,492,685	197,988,504	62,513,039	496,653,19
March 23	259,400,315	9,143,913	33,519,401	191,375,615	60,904,858	472,02,878
March 30	258,153,364	8,524,679	33,669,195	188,460,265	62,459,511	459,580,602
April 6	254,470,087	8,183,813	33,774,573	183,861,269	59,021,776	531,585,184
April 13	250,102,173	8,866,229	33,702,847	184,861,226	60,202,515	525,942,463
April 20	247,561,731	7,682,535	33,645,571	184,080,256	64,096,616	447,514,375
April 27	247,787,351	7,404,804	33,601,266	187,674,341	67,920,251	466,484,422
May 4	250,371,558	8,022,177	33,571,747	195,721,072	70,537,407	529,890,115
May 11	253,683,829	24,963,590	33,595,808	200,342,532	67,996,639	594,819,769
May 18	257,981,874	15,567,262	33,631,801	201,426,584	63,526,501	503,675,793
May 25	256,021,805	14,063,607	33,697,852	193,673,345	60,502,440	451,732,622
June 1	252,791,514	14,017,070	35,747,089	190,856,143	58,459,327	442,675,585
June 8	250,477,293	15,099,038	35,719,088	184,780,395	55,922,177	461,324,216
June 15	246,222,455	12,656,889	33,707,199	180,517,763	57,024,192	460,965,602
June 22	243,640,477	9,399,585	33,633,171	179,477,170	62,516,294	442,440,804
June 29	242,547,354	7,763,996	33,642,860	156,213,257	70,174,755	493,944,556
July 6	240,361,287	10,363,171	33,669,997	191,524,312	71,106,473	494,051,990
July 13	247,913,009	12,715,404	33,653,869	197,872,063	72,495,703	521,869,463
July 20	249,530,255	11,197,700	33,574,543	199,425,969	73,441,201	491,580,952
July 27	251,242,820	9,783,094	33,596,559	200,006,856	74,005,240	451,097,226
August 3	254,940,016	6,461,649	33,559,117	201,153,754	75,097,762	468,021,746
August 10	253,427,240	5,811,977	33,565,378	199,403,705	76,047,931	499,868,036
August 17	253,223,411	6,020,557	33,662,757	194,046,591	69,472,793	454,229,517
August 24	250,697,679	6,026,535	33,736,249	188,744,101	64,960,680	481,496,057
August 31	247,977,602	7,271,595	33,715,123	190,392,315	67,982,571	385,591,043

## PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5	\$20,209,054	\$2,212,317	903,863	10,388,820	41,808,327
January 12	20,006,255	2,523,491	908,890	10,380,577	41,023,421
January 19	19,445,099	2,457,807	877,548	10,381,593	30,049,645
January 26	19,363,374	2,193,473	890,582	10,394,633	29,001,779
February 2	19,269,123	2,551,130	871,564	10,420,858	29,592,712
February 9	19,636,350	2,394,229	872,614	10,449,969	29,817,596
February 16	19,592,747	2,573,130	877,110	10,522,973	30,060,717
February 23	17,387,598	2,394,721	841,222	10,566,434	28,646,013
March 2	15,150,637	2,197,173	816,943	10,511,600	29,877,888
March 9	17,534,705	2,131,468	832,755	10,572,068	27,814,072
March 16	16,935,613	2,058,804	858,092	10,550,911	27,526,001
March 23	16,071,730	2,072,490	807,473	10,611,967	24,511,545
March 30	15,364,948	2,086,306	804,148	10,631,532	24,150,285
April 6	15,222,745	2,098,221	844,719	10,631,615	23,796,595
April 13	15,128,407	2,123,776	848,625	10,645,267	24,887,633
April 20	16,538,236	2,161,444	828,532	10,647,234	25,830,530
April 27	16,731,201	2,190,959	829,517	10,638,021	26,234,870
May 4	17,198,568	2,054,267	824,053	10,639,695	27,371,064
May 11	17,273,019	2,474,359	808,789	10,627,953	28,172,169
May 18	16,770,491	2,626,820	809,973	10,630,831	28,230,583
May 25	16,019,130	2,536,170	860,183	10,635,530	27,775,733
June 1	16,591,109	2,747,308	824,393	10,627,433	27,322,144
June 8	16,594,720	2,155,124	846,615	10,649,980	27,362,614
June 15	16,300,010	2,198,049	825,261	10,048,298	27,174,269
June 22	16,964,424	2,068,441	873,309	10,642,224	27,332,579
June 29	16,105,61	2,538,963	865,187	10,641,311	27,616,947
July 6	16,224,675	2,490,972	861,951	10,640,201	27,077,456
July 13	16,324,914	2,502,352	819,399	10,641,770	27,836,226
July 20	16,608,060	2,150,569	871,744	10,637,651	28,170,418
July 27	16,662,112	2,104,475	833,118	10,633,750	27,629,640
August 3	16,582,198	2,427,840	802,055	10,636,925	28,094,543
August 10	16,735,198	2,117,569	804,979	10,627,781	26,961,477
August 17	15,909,126	2,549,449	817,339	10,638,310	26,393,510
August 24	15,767,146	2,329,090	814,342	10,636,294	26,452,581
August 31	15,717,909	2,784,697	807,658	10,626,256	26,322,365



## BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.	
					National.	State.
January 7.....	\$97,000,342	1,133,451	17,033,357	40,334,618	24,580,267	312,664
January 14.....	93,441,778	1,334,800	16,329, 15	40,346,216	24,907,446	311,749
January 21.....	95,288,932	1,078,160	16,594, 99	33,679,604	24,275,162	301,911
January 28.....	97,891,329	1,058,329	16,816,481	39,219,241	24,716,597	302,298
February 4.....	97,742,461	936,569	16,394,604	32,705,053	24,691,075	306,014
February 11.....	97,264,162	873,396	1, 102,479	39,474,359	24,686,663	305,603
February 18.....	96,949,478	922,940	15,393,338	38,900,540	24,765,420	305,608
February 25.....	95,334,900	779,402	15,741,046	37,893,963	24,952,605	303,228
March 4.....	95,050,727	953,887	15,948,103	38,316,573	24,675,767	301,480
March 11.....	12,078,975	695,447	15,719,479	36,712,052	24,346,621	289,548
March 18.....	93,156,446	568,494	16,370,979	36,751,723	24,809,523	292,133
March 5.....	92,601,000	516,184	16,557,905	36,751,723	24,738,722	299,091
April 1.....	91,722,347	433,113	17, 12,493	37,056,388	24,943,276	296,025
April 8.....	91,679,549	456,751	16,860,418	37,258,775	24,851,522	296,011
April 15.....	91,712,414	376,318	16,815,355	37,218,523	24,339,819	297,205
April 22.....	92,472,815	343,712	16,649,598	38,207,548	24,852,300	296,701
April 29.....	92,353,922	329,851	16,936,564	37,887,092	24,811,437	294,962
May 6.....	92,671,149	539,878	16,571,736	38,721,769	24,784,332	293,806
May 13.....	92,423,114	517,597	16,532,421	38,504,761	24,803,992	293,514
May 20.....	92,633,587	507,806	16,499,319	37,874,832	24,838,469	293,491
May 27.....	92,223,677	441,072	16,683,261	37,122,061	24,805,860	290,961
June 3.....	92,694,925	571,526	17,173,901	37,076,894	24,725,794	279,275
June 10.....	93,436,167	496,767	16,767,854	36,093,716	24,804,153	268,768
June 17.....	93,725,428	511,095	15,719,795	36,089,933	24,771,778	271,042
June 24.....	92,951,163	470,544	15,758,396	36,521,129	24,768,947	267,294
July 1.....	92,996,703	617,456	16,065,141	37,475,337	24,797,343	266,353
July 8.....	94,747,778	915,398	15,065,466	38,251,040	24,801,623	266,494
July 15.....	95,046,468	833,466	15,397,828	38,640,481	24,771,633	264,922
July 22.....	95,096,511	650,203	15,427,625	38,323,613	24,744,221	252,696
July 29.....	95,594,214	361,873	15,543,401	38,548,722	24,652,742	256,562
August 5.....	96,387,558	472,045	15,514,094	39,338,450	24,655,675	263,250
August 12.....	97,098,673	412,217	15,196,701	38,233,576	24,670,853	268,672
August 19.....	96,901,687	365,127	14,697,154	36,902,686	24,612,921	262,507
August 26.....	96,945,497	396,576	15,176,423	36,790,624	24,707,736	261,963
September 2.....	97,019,318	400,680	15,296,583	35,810,806	24,784,146	260,577

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The following advertisements appear in our advertising pages this month:

**MERCANTILE.**  
 Lillie's Fire & Burglar-Proof Safes—128 B'way  
 Lewis Audendried & Co.—110 Broadway—Anthracite and Bituminous Coal.  
 A. B. Sands & Co.—139-141 William St.—Drugs  
 Duryea's Malena—166 Fulton street.  
**BANKERS & BROKERS.**  
 Duncan, Sherman & Co.—Cor. Pine & Nassau.  
 I. P. Morton & Co.—30 Broad Street.  
 Tenth National Bank—386 Broadway.  
 Ninth National Bank—363 Broadway.

Lockwood & Co.—94 Broadway.  
 Barstow, Eddy & Co.—20 Broad St.  
 Gilmore, Dunlap & Co.—Cincinnati.  
 DeWitt, Kittle & Co.—88 Wall St.  
 Vermilye & Co.—44 Wall St.  
 Eugene Kelly & Co.—36 Wall St.  
 Simon De Visser—52 Exchange Place.  
**INSURANCE.**  
 Fidelity Insurance Co.—11 Broadway.  
 Marine—Great Western Insurance Co.  
 Fire—Hope Fire Ins. Co.—92 Broadway.

THE  
MERCHANTS' MAGAZINE  
AND  
COMMERCIAL REVIEW.

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OCTOBER, 1867.

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CAUSES OF FLUCTUATIONS IN THE BANK OF ENGLAND RATE OF INTEREST.

Nothing is more certain than that we cannot make money easy and enforce a low rate of interest by legislative enactment; still one of the important necessities of modern commerce is a moderate equable interest for money borrowed, and if we can secure this to any country we shall confer a benefit which it is not easy to overestimate. Napoleon I., therefore, was not so far wrong when he said that the chief use of a great National Bank, and almost the only excuse for its existence, was that it should lend money at a low steady rate of interest. There is no doubt that in our times, under the existing methods of organizing industry, severe and sudden fluctuations in the price exacted between borrowers and lenders of floating capital, are likely to inflict heavy losses on individuals, to check the growth of national wealth and productive power, as well as to become the fruitful cause of disappointment, bankruptcy and suffering to the industrious and enterprising classes of the community. It is one of the proud characteristics of the Bank of France, that whatever else may be said to its disparagement, its rates of interest have been raised very little and very seldom from the average of four per cent. during the present generation, and it is one of the most grave and damaging charges which has ever been brought against the Bank of England and against the British system of financial machinery, of which the Bank forms a controlling part, that its minimum of interest has fluctuated from 2 to 10 per cent. with a frequent violence which has

baffled all forecast; and that ever since 1844, when the present Bank Charter was passed, such spasmodic anomalies have been much more remarkable than ever before. On this account that charter has been held responsible for all the mischief. The arguments *post hoc ergo propter hoc* is an easy one to urge, and too often a difficult one to refute. The general expectation has been that the British Parliament would appoint a commission for taking such evidence as the panic of 1866 might evolve to throw light on the increase of monetary stringency by the operations of the Bank. It is to be regretted that in the reform agitation which has convulsed England during the past session, these financial questions have been crowded out and forgotten. Meanwhile, valuable facts are fading from sight. The memory of such events soon becomes confused, and the evidence conflicting. Theories dominate facts, and at some future time, when the inevitable inquiry is to be made, we shall come to it in a cooler and more judicial temper, perhaps; but with a less vivid recollection and a less adequate view of the evidence to guide us to right conclusions.

We have said that it is impossible to regulate the rate of interest by act of Parliament. If we were to go further, and affirm that the Bank Charter Act of 1844 is not responsible in any direct manner for the perturbations of the money market which have followed it, we should not concede that an inquiry into the operation of the act would be unnecessary or fruitless. The bank charter is one thing, and the action of the Bank directors under that charter is a very different thing. The former may be good, while the latter may be more or less bad. The fact is that all the legislation of the English Parliament relative to the Bank since the celebrated Currency Act of Mr. Peel in 1819, has avoided intermeddling with the rate of interest, and has been directed to a totally different object—namely, the preservation of the nation from the currency troubles which were so serious during the first two decades of this century.

What that legislation has aimed to accomplish is to keep the currency of England at par with gold, and to prevent its bank notes from ever again depreciating or falling to a discount as compared with coin. The object has been fully secured for nearly half a century, and it has been done by the application of the safeguard for whose virtue and efficiency this journal has always contended in regard to our own currency. The safeguard is founded on the principle that the amount of the currency afloat in any country regulates the value or purchasing power of that currency. It being acknowledged that if more currency is afloat than the business of the country requires on a par basis, the value of the currency will fall below par, the currency-issuing institutions of England are put under stringent restrictions. And the only increase that currency can receive beyond a fixed amount must be issued to represent gold coin or bullion actually in the vaults of the Bank, and ready to be paid out on demand. The great aim of the Parliament then has been to prevent depreciation, or, as it is sometimes expressed, "to secure the convertibility of the note;" and this aim, we repeat, the successive legal enactments have fully accomplished for fifty years during which they have been in force. This point has indeed been urged as an argument against further investigations by parliamentary commissions, in addition to those which have taken place in past years.

Another argument against the appointment of an investigating committee at present, is that similar researches and inquiries of former Parliaments have been so full as to preclude the necessity for anything further of the same sort. But this reasoning is evidently faulty. Former inquiries have not led to a remedy. The evils of a treacherous money market are too appalling for us to conclude that they are incurable. And the only hope of cure lies in inquiry and examination. There are, moreover, various well-known features in the panic of 1866 which differ from all other financial revulsions which have been known in England. These facts, when brought into a fuller light, may perhaps be suggestive and useful as factors for the solution of the problem. For these and other reasons the long agitated Bank investigation will doubtless be made next session. At this distance it is not our intention, nor have we the requisite control over the sources of information, to venture to point out the directions which the future inquiries may take. There are two points only which we will suggest.

The first is the action of the Bank of England under a drain of gold. It is well known that when, from any cause, the gold reserve of the bank falls there is but one remedy applied, namely, to raise the rate of interest. The evil which has caused the drain of gold may be in its nature either financial or political, it may arise from foreign complications, or from internal or domestic causes—but no matter. The remedy which the directors apply is always one and the same. They know of no other method to attract gold into their vaults than by checking the activity of business, and giving in this way a turn to the foreign exchanges. Now, the act of 1844 does not prescribe any such method of replenishing the gold reserve. The Bank of France has on several occasions made up its failing reserve by other methods than this. Such methods are, perhaps, more costly to the bank, but infinitely less costly to the nation. We do not say they are capable of adoption in connection with the gigantic foreign trade of England, but we do say that we expect the report of the Parliamentary Commission will give us more explicit and exhaustive information on this special point than any of the previous blue books that have been issued.

The only remaining question we shall raise connects itself with the Joint Stock banks. Since 1834, when the first of these institutions opened its doors, they have received a prodigious increase of power, and the doubt is whether that power does not need regulation. We have before pointed out that the chief trouble in respect to the sudden variations of the rate of interest dates from 1844. And it is a noteworthy fact that these institutions have grown up during the same period. In 1835 the joint-stock deposits were only £266,000, in 1845 they aggregated £10,053,000, in 1855 they had increased to £29,109,000, in 1861 to £50,783,000, and now they amount to £68,609,548. From these figures it is easy to see that the relations of these institutions to the British money markets have undergone a complete revolution since the bank act of 1844 was enacted. Then their operations were comparatively small. They had only 10 millions to use besides their own capital. Now they have nearly 70 millions of borrowed money which they control, or more than three times as much as the individual deposits of the Bank of England. The joint-stock banks have therefore been justly

pointed out as probable sources of some of the trouble we are investigating. We do not under-value the usefulness of these institutions, or the high reputation some of them deservedly enjoy. But the evidence against them is confirmed by several facts, amongst which are the following: First, their earnings are too large not to suggest doubts. Dividends of twenty-two per cent., or twenty-five per cent., or even twenty-eight per cent. a year are not to be made without more risks than are consistent with safe, legitimate banking, especially as the rate of interest being 2 per cent., 1 per cent. is bid by the banks for deposits. Secondly, to enable themselves to pay such large dividends, the paid up capital is kept very small in proportion to the risks incurred and the business done. The aggregate paid up capital of the 7 banks is only £6,609,804, while the deposits are £68,609,548. Including surplus they have thus 78 millions sterling to use, of which only nine millions is their own money. On these funds they do the following business. They hold of government securities 8 millions, and of private securities 67 millions, and to guarantee their solvency they report 12 millions of cash reserve, of which nearly 3½ millions are in a single bank, which says that this sum includes cash "in bank, at Bank of England," and *at call*.

If, leaving the aggregates, we examine the individual banks, we shall find ample room for the expectation that in case of any flurry in the money market these institutions, by their alarm, and by their efforts to strengthen themselves would be likely to increase the trouble. Take, for example, the London and County Bank, which is regarded as one of the most respectable. Its paid up capital is £880,864, while its deposits are £12,033,334. It has thus some 13½ millions sterling to employ with a view to make dividends on a paid up capital of considerably less than a million. These funds are invested in government securities to the extent of £968,796, while in other securities £10,334,328 is invested, and a cash reserve is kept of £3,284,352.

It will be observed that we do not question the stability and ultimate solvency of these joint-stock banks. To discuss that point is foreign to the object we have in view, and would lead us away from the point we have raised, which is simply the behavior which might be expected from them in time of sudden pressure, and the results of that behavior on the course of the money market. We may recur to the subject hereafter, and will do no more in this place than suggest that institutions having so vast an aggregate of funds continually flowing into and out of their vaults, should be compelled to keep a larger reserve of cash in hand, and should be placed under more obligations of publicity, by being required to publish a weekly statement, like that required of the Bank of England and the Bank of France.

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### THE SUEZ CANAL.

This great work, "a connecting link between two worlds," appears, according to the last report of the company, just made public, to be progressing satisfactorily. One after another the difficulties which have been denominated insurmountable by the faithless and doubting, have been met and overcome, until now it is thought that only about two years

more will be required before what has so long existed as a grand idea only, may become an accomplished fact. This favorable opinion is at present not only expressed by those pecuniarily interested in the work, but widely known English Engineers, who have hitherto been so skeptical, admit at length its feasibility, and profess confidence in its speedy accomplishment.

It is difficult to estimate the importance of this work to commerce and civilization. Bringing, as it does, Europe into immediate and direct communication with Asia and Africa, it cannot but exercise an incalculable influence in disseminating western civilization among the teeming population of the East, while at the same time it furnishes to the immense trade with those countries, the stimulus of a rapid and economical means of transit. The Mediterranean Sea, as our readers well know, is separated from the gulf of Suez by a narrow isthmus of land only seventy-five miles wide. That gulf gradually widens into the Red Sea and Sea of Arabia and, finally, into the great Indian Ocean, which lies between the Western coast of Africa, India, China and Australasia. The present channel for commerce between Europe and those countries embraces a wide circuit of the navigable globe around the Cape of Good Hope, and occupies from five to seven months. But the direct route even over that extensive course cannot be taken, since ships leaving Europe or the American Atlantic ports for India, China or Australasia must make immense detours by the Canaries or Azores in order to get into or avoid the monsoons or winds that blow steadily in one direction for months, and promote or retard their passage. Hence it is evident that if vessels could cross direct from the Mediterranean to the Gulf of Suez the distance to India would be shortened nearly three-fourths with a corresponding saving in the cost of transportation, while at the same time the dangers attending a voyage round the Cape of Good Hope would be wholly avoided.

Under these circumstances it can be easily understood how the opening of such a channel between the Mediterranean Sea and the Gulf of Suez should have long enlisted earnest attention, and still more earnest efforts for its accomplishment. In the early days of Egyptian civilization a canal was commenced by Pharaoh Necho, and finally completed by Darius, [the remains of which still exist. It was destroyed during the fierce wars of Mahomedan conquest, and has since to such an extent been choked up by the shifting sands of the desert, as to be so utterly worthless that the new canal now in progress does not even follow the original route. The restoration of this ancient work was among the earlier plans of the First Napoleon, who projected it as a means of counteracting British ascendancy in India, and gaining for France a portion of the commerce of the East. The project has been frequently revived since his time; but it was reserved for M. Ferdinand de Lesseps, the celebrated French engineer, to initiate the work, and carry it, as he probably will, to a successful termination. The difficulties in the way would have deterred a less ardent and earnest man. He had to overcome the apathy of some, the active opposition of others, and provide the capital requisite for the undertaking.

It was in 1852, we believe, that this French enthusiast, as some then called him, first attempted to form a company for the construc-

tion of the canal. He enlisted the Pasha of Egypt in the undertaking, and in 1855 obtained from him a firman granting the necessary assistance and powers. Engineers were employed to survey the route, who reported that there were no insurmountable difficulties in the way; so that in January, 1859, the "Universal Company of the Maritime Canal of Suez" was organized, with a capital of 200,000,000 francs (\$40,000,000,) and soon after the work was commenced. Ninety miles was the length of the cut to be made, the shorter and more direct route not being selected on account of the greater difficulties it presented. The depth determined upon was twenty-six feet below the low water level of the Mediterranean, and the width three hundred and twenty-seven feet on the surface. To obtain the low water level of the Mediterranean, the actual depth of the canal must average from twenty-five to thirty-five feet.

The chief engineering difficulties were those arising from the sandy, shifting nature of the soil, and the want of a good port on the Mediterranean side. The country is remarkably level, the greatest elevation being not more than from 30 to 45 feet above the adjoining seas, generally the soil is only five or six feet above the sealevel, and in some places it is so low that it is covered by swamps or marshes, and small lakes.

With respect to the present condition of the maritime canal, the report states that nearly half the distance between Port Said and Lake Timseh, about 40 miles, is already dug to the full width of 100 metres (327 feet) on the water line. About one-fourth of the route, or 20 miles, the full average depth of 26 feet from the surface has been reached, the sides sloping at an angle of 45 degrees. On the remainder dredgers of great capacity and novel construction are at work, and so decided are the improvements made in these dredging machines that excavations are being carried forward with greatly increased rapidity, and it is expected that this portion of the work will be entirely completed by the close of the present year.

The second half of the canal extends from Lake Timseh to Suez, and comprises the more ridgy or elevated part of the route. Lake Timseh is now filled with water from the Mediterranean to the level of the two seas. Through the Salt Marsh, or Bitter Lakes, as it is called, the land<sup>o</sup> being at some points below the level of the Gulf of Suez, it was necessary to make the embankments by excavations of earth transported by lighters from other portions of the work. Fifteen hundred millions of cubic metres will be required for this purpose. The waters of the Mediterranean now extend about fifty miles into the desert, and in ten months they will be conducted to the Bitter Lakes. The dredgers are now in active operation on this portion of the route, and extract monthly a mass equal to from 25,000 to 30,000 cubic metres.

Simultaneously with the work on the canal, the process of improving the harbors on the Mediterranean and Suez sides is in active progress. On the Suez side there is no particular difficulty, there being a very fine harbor easily adapted to the wants of the new commerce. The roadstead of Suez is, however, being improved and cleared of obstructions, and a wet dock is in process of construction for ocean steamers. But on the Mediterranean side, at Port Said, the engineering difficulties are

greater, owing to the fact that sands impelled by the tides and winds obstruct the mouth of the harbor. On this account it is necessary to construct jetties or breakwaters, extending on either side nearly two miles into the sea. These jetties range from a depth in the sea of from eight to fifty-two metres. The Western jetty is already entirely raised above the water, with the exception of about a quarter of a mile, and one-half of the eastern jetty has been made in water fifty-two metres deep. This work is substantially done, and is almost as extensive as the great breakwater at Cherbourg. The fierce gales and heavy seas which prevail in this portion of the Mediterranean have had no effect thus far upon the huge blocks forming the jetties, and promise a secure refuge for the largest vessels. The sand has been dredged to a depth of fifteen feet in the inner port, comprising a space of sixty acres. By the end of the present year it will have been still further dredged until it reaches a depth of twenty-four feet, furnishing access to all description of trading vessels.

Another scheme undertaken by the company, and to a certain extent independent of the maritime canal, is the "fresh water canal." It is not, however, intended to be navigable as the term canal generally implies. It is better described as a large trench or cutting, for the purpose of conveying the water of the Nile from Cairo northward, curving to the east, through a tract of land purchased by the company, to Lake Timseh, before mentioned, and then southward to Suez. Before this was completed all the fresh water to be obtained at Suez was brought from Cairo by the railway. Large trains, conveying iron tanks filled from the river, were constantly passing along the line that conveyed the passengers by the overland route, from sea to sea. The whole line of the Ship Canal, from Suez to Port Said, runs either through the two salt water lakes on the Isthmus, the wide expanse of Menzaleh on the seacoast, or the soil of the Desert, "a barren land, where no water is." Labor is, of course, impossible without a certain and abundant supply of this element. This aqueduct was, therefore, a work of necessity, and has proved a success. It is also employed to irrigate such portions of the soil through which it passes as may be worth cultivating, and this secondary purpose has been fully answered, as may be seen in its fertilizing effects on the country along its route.

It is estimated that the entire cost of this great work, including the canals, harbor improvements, and material of traction for the passage of large vessels, will amount to 385,000,000 francs (\$77,000,000). This is about double the original estimates. The capital of 200,000,000 francs was increased by a loan of 100,000,000 francs, and a call for another 100,000,000 has been made, which has been favorably received by the stockholders. The instruments of labor worked by steam and in use on the Isthmus represent a total of 17,768 horse power, at a consumption of 12,219 tons of coal per month. The company has in its employment 13,000 laborers and artizans, of whom 6,388 are native Syrians and Egyptians, and the balance are Europeans. The distance between the two seas has become a continuous line of work shops; and numerous villages and towns have sprung up in the desert to accommodate the workmen, and the traders and laborers who supply their wants. The port of Said, situated on the spit of land that separates Lake Menzaleh



from the Mediterranean has increased from a wretched population of a few hundred to 8,000, with warehouses and buildings to accommodate the increased business and population. There is every indication that the termini on either side of the canal will become the sites of great cities, and centres of commerce.

It is evident that the completion of this canal will mark a new era in the history of commerce. There can be little doubt but that an immense portion of Eastern shipping will follow this new and shorter route. The only drawback is the want of sufficient guarantees that the canal shall be free to the commerce of all nations. This consideration led England to oppose the undertaking until it became apparent that further opposition would be useless. It has secured some privileges, but the work will be under the control of France, and that country can hardly fail to derive immense benefits from it. As for ourselves, however, we possess in the Pacific Railroad, now speedily approaching completion, the means for an active competition for the Eastern trade independent of the Suez Canal. We can still further increase our facilities by the construction of the Panama Ship Canal, which offers fewer engineering difficulties than are being successfully encountered at Suez. This is a matter deserving the attention of capitalists here, and it is to be hoped that they will not be indifferent to the great issues which it involves.

#### RAILROAD EARNINGS FOR AUGUST.

The large increase in the grain crops has naturally induced an expectation of a corresponding gain in the earnings of the railroads. This result has followed; and yet not to the extent perhaps which might have been expected. During the five weeks ending August 31st, the receipts of wheat at Chicago, Milwaukee, Detroit and Toledo aggregated 3,883,002 bushels, against 1,796,499 bushels for the corresponding period of 1866; and the combined arrivals of other kinds of grain and of flour show a proportionate increase. It might reasonably be expected that, with a doubling of this very important class of freights, the earnings of the roads would furnish a very favorable exhibit. The tabulated results presented below, show, however, a gain for the month of August of only \$353,578 in a total of \$6,973,228, being only a trifle over 5 per cent. We think, however, that the explanation may be found in the fact that the breadstuffs shipments are as yet mostly confined to certain Western roads, or to the canals and lakes. By examining the returns this is made very clear, as will be seen from the August earnings of the Chicago and Alton, Chicago and Northwestern, Chicago and Rock Island, Illinois Central, Michigan Central, and Michigan Southern roads; but the roads connecting with the seaboard, as yet, compare poorly with last year. The gross earnings of the under-mentioned railroads for the month of August, 1866 and 1867, comparatively, and the difference (increase or decrease) between the two periods, are exhibited in the following statement:

Railroads.	1866.	1867.	Increase.	Decre.
Atlantic and Great Western.....	\$528,642	\$475,257	\$.....	\$53,385
Chicago and Alton .....	337,389	421,484	84,115	.....
Chicago and Great Eastern.....	107,062	94,867	.....	12,195

Railroads.	1866.	1867.	Increase.	Decr' e.
Chicago and Northwestern.....	797,475	1,088,894	241,849	....
Chicago, Rock Island and Pacific .....	840,637	404,600	68,943	....
Erie.....	1,295,400	1,329,034	....	56,376
Illinois Central.....	578,253	684,377	106,134	....
Marquette and Cincinnati.....	106,921	114,716	7,795	....
Michigan Central.....	359,645	398,995	29,350	....
Michigan Southern.....	384,401	438,763	44,361	....
Milwaukee and Prairie du Chien.....	116,266	118,404	....	2,662
Milwaukee and St. Paul.....	207,068	205,436	....	1,632
Ohio and Mississippi.....	305,454	313,165	7,711	....
Pittsburg, Fort Wayne and Chicago.....	648,201	602,069	....	46,132
Toledo, Wabash and Western.....	326,348	364,723	....	31,525
Western Union.....	60,698	78,525	12,637	....
Total in August.....	\$6,619,650	\$6,973,228	\$353,578	....
Total in July.....	5,967,566	5,754,795	....	212,061
Total in June.....	5,706,446	5,815,741	....	890,705
Total in May.....	6,402,297	5,907,650	....	494,637
Total in April.....	5,473,137	5,813,788	320,611	....
Total in March.....	5,593,523	5,639,601	46,078	....
Total in February.....	4,664,525	4,798,978	134,453	....
Total in January.....	5,378,441	5,413,437	34,996	....
January-August, 8 months.....	\$46,306,555	\$46,116,168	\$.....	\$689,687

It is also necessary, in making these comparisons, to keep in mind that the grain movement last year, owing to short crops, was very limited, and that, consequently, the railroad receipts were less than the previous year. The earnings of August, 1866 were about 8 per cent. below those of the same period of 1865; and the receipts of last month averaged 3 per cent. less than those of two years ago, the total for August of 15 of the above roads being in 1865 \$7,096,559, and this year \$6,878,361. Here, however, again an explanation may be found in the comparative breadstuffs movement during the two years 1865 and 1867. For instance, nearly all the grain that came forward during August last, was this year's product, while in 1865 there was a large surplus on hand of the old crop, so that the weekly receipts at the West during August, 1865, were in excess of this year's receipts, and hence the railroad earnings were larger than at present. It is also stated that the charges on the roads have, in some instances been reduced, and confirmatory evidence of it is found in the disproportion between the increase of traffic and that of earnings. This is certainly a change much needed for the agricultural welfare of the country. We have no statistics showing the *net* earnings of the roads; were they at hand, however, it would probably be found that the working expenses have been somewhat reduced, warranting a decline in the rates. The country cannot afford to pay the high prices for transportation which have been in force; and unless commerce is to be impeded, the roads must steadily reduce their charges, at the same time economizing their expenditures correspondingly. This policy alone can place the traffic upon a basis insuring a steady growth.

It will be seen from the above statement that the earnings of the sixteen roads enumerated show a decrease in the earnings for the first eight months of the year amounting to \$689,687, or about 1½ per cent.; the past month therefore shows an improvement upon the business of the year.

The gross earnings per mile of road operated for the same month of the two years, are shown in the table which follows:

Railroads.	Miles of road—		Earnings—		Differ'ce	
	1866.	1867.	1866.	1867.	Incr.	Dec.
Atlantic & Great Western.....	507	507	\$1,042	\$987	...	\$105
Chicago and Alton.....	280	280	1,333	1,505	122	...
Chicago and Great Eastern.....	224	224	477	423	...	54
Chicago and Northwestern.....	1,032	1,145	772	907	135	...
Chicago, Rock Island & Pacific.....	410	410	680	966	156	...
Erie.....	796	775	1,622	1,593	...	25
Illinois Central.....	708	708	817	966	149	...
Marionetta and Cincinnati.....	251	251	426	457	31	...
Michigan Central.....	285	285	1,262	1,400	138	...
Michigan Southern.....	534	534	733	818	85	...
Milwaukee & Prairie du Chien.....	234	234	496	484	...	12
Milwaukee and St. Paul.....	375	375	745	739	...	6
Ohio and Mississippi.....	340	340	893	921	28	...
Pittsburg, Ft. Wayne and Chicago.....	468	468	1,835	1,296	...	99
Toledo, Wabash and Western.....	521	521	760	700	...	60
Western Union.....	177	177	343	416	73	...
Total in August.....	7,084	7,124	\$941	\$978	\$37	\$...
Total in July.....			848	806	...	40
Total in June.....			963	816	...	137
Total in May.....			912	829	...	83
Total in April.....			778	816	38	...
Total in March.....			795	791	...	4
Total in February.....			663	673	10	...
Total in January.....			784	760	...	4
January-August: 8 months.....	7,084	7,124	\$6,654	\$6,478	\$...	\$181

The earnings of the New York Central in August, 1866, were (654 miles) \$1,286,000, or \$1,966 37 per mile, and in 1867 (692 miles) \$1,374,000, or \$1,985 55 per mile; increase, \$88,000, or \$19 18 per mile.

### THE PINCH IN THE MONEY MARKET.

The recent easy and plethoric condition of the loan market has suddenly passed off, and money lenders, instead of being glad to get 3 or 4 per cent., demand twice as much, or 7 per cent. for call loans, and often get it too. To these persons, as well as to others, the change no doubt is a very gratifying one. It certainly is so to the shrewd speculators who have profited by the resulting disturbance of values at the Produce and Stock Exchanges. Outside of a very narrow circle, however, such spasms are not regarded with so much satisfaction. The few may gain by them, but the many lose. Business languishes under a sensitive money market. The activity of commerce, the progress of material prosperity, the development of productive power, the force of industrial enterprise, every thing which makes the country rich and great, is fostered by monetary ease, and suffers from such spasmodic jerks as have briefly disturbed the money market during the last few days.

The effects of this sharp convulsion, it has been affirmed, have only been to punish a few speculators who richly deserve it. This view of the case is founded in error. Everybody knows that speculators are the very men to profit by such a catastrophe. They welcome fluctuations in the markets; because by these they live and by these they grow rich. Accordingly it is a significant fact that not a single failure took place at the Stock Exchange by the fall in securities, which was one of the minor symptoms of the nine days' Wall street scare. The money lenders, the stock operators, the speculators of all classes—these are the men

who gather their profits in such a spasm. Investors, men of business, the owners of securities and other property, find in it nothing but loss. The latter are sacrificed that the former may make money. The many lose that the few may gain.

This being so it is no wonder that the report has been current, and has been widely credited, that the whole trouble was the work of these persons, who had so much to gain by it. Certain money lenders, it is said, were disgusted at not being able to get more than 3 or 4 per cent. for their money. Speculators were disgusted that, in the long dead calm of the money market, stocks neither went up or down, and the mercurial values dealt in on 'Change were so stationary that no money was to be made by "bull" or "bear" tactics. To these men, or to a clique of them, it is claimed a bright idea suggested itself, and was successfully worked out. They would put up gold by a bold speculative venture. The political difficulties at Washington and other circumstances were favorable at home and abroad. They would then appeal to the Secretary of the Treasury, who was presumed to be nervously sensitive to the fluctuations of the Gold Room, and would get him to sell gold and Five-twenties to put down the premium on coin, and check the speculation themselves had raised. From such government sales a good profit could be made, as the "ring" could buy back cheaper the coin that they had sold at high figures. Moreover, the consequent locking up of currency in the Treasury by such sales at this time of the year, when the bank reserves are drained by remittances to the West; and the public, the bank officers, and the bank inspectors keep an anxious eye on the greenback reserve, was calculated to produce further trouble in the money and stock markets which might, by shrewd manœuvering and Wall street strategy, be made productive of large profits. Our readers, we suppose, are quite willing to admit that this marvellous story is too complicated, too subtle, too ingenious, and in many of its details too improbable to be accounted a fair history of the origin of the recent flurry. Discussion of its truth or falsehood, however, is irrelevant for our immediate purpose, which is rather to trace out practical lessons than to dispute facts not immediately available for future use. It is probable that such rumors never would have been put in circulation but for one unfortunate circumstance. On the 10th September the Sub-Treasury balance in this city was reduced to 111 millions, and 9 days later it stood at 124 millions, having risen 13 millions in nine days. This unhappy locking up of idle greenbacks was certainly to be regretted at a time when greenbacks did not seem to be wanted for any important Treasury emergency, and when they could be ill spared from the banks, and in fact could not, except temporarily, be spared at all in consequence of the turn in our interior exchanges, which caused a general rush for greenbacks. It seemed unfair to the banks while they were struggling with the difficulties incident to the fall drain for money to move the crops, to put upon them at an unlooked for moment this sudden burden.

But in reply to all this it is properly urged that the increase of the Treasury balance was only temporary, and was perhaps unavoidable. Moreover, the past record of the Secretary of the Treasury forbids the belief that he could for a moment favor the designs of speculators, one of whose chief objects was to depress government securities, and to

prevent the progress of the work Mr. McCulloch has most at heart at present—the consolidation of the floating public debt into long bonds. When the real causes of the late short panic come to be known two things no doubt will be satisfactorily proved. First, that whatever artificial causes have been at work to precipitate the advance in the rate of interest, and to develop that advance under the pressure of a monetary spasm there was no concert of action of which Mr. McCulloch was conscious between the Treasury or any of its officers, and the investments of speculators or money lenders, or any other interested persons whatever. Secondly, it will probably appear that the increase in the Treasury balance was made up to a much less degree than was supposed by the accumulation of greenbacks, and that the timely disbursements of the government, especially during the last eight or ten days, has done much to relieve the pressure which the Treasury has been unjustly supposed to have intentionally contributed to bring on.

The main question, however, is as to the money market of the immediate future. Will the rates of interest work easy during this fall, or are we to have a series of spasms and panics, or will there be a sharp, well sustained 7 per cent. steady market? In answer to these questions we are pointed first to the supplies of capital, which are already ample and which the high rate of interest attracts hither, not only from our domestic sources of supply, but from the money markets of Europe, where money cannot be employed except at meagre rates of interest. While money rules at 2 per cent. in Lombard street, and Wall street offers 6 or 7, in these days of international activity and telegraphic communication it is easy to see the result.

But to make these stores of capital accessible, the state of the currency should be exempt from perturbation. It is to this point that the chief attention of the public turns. If our currency suffers contraction at this critical time, the effect of the contraction must inevitably be seen in the movements of the money market. To prevent the mischiefs of any such trouble, Congress authorized at the close of its last session the issue of 50 millions of three per cent. legal tender certificates, to take the place of the compound notes held by the banks as reserve. Congress, also, in the law of April, 1866, left it optional with the Secretary of the Treasury to omit contracting the greenback issues when such contraction was inexpedient or unsafe. Congress therefore is exempt from blame if the money market should be disturbed from any undue, ill-timed contraction of the currency. The responsibility rests with the Secretary of the Treasury. And if such trouble should occur, the result will inevitably be to add to the force, and to play into the hands of the inflationists, who are averse to all contraction whatsoever, who wish to dilute the currency and to shake the foundations of our financial fabric by further issues of paper money. Under these circumstances it is believed that Mr. McCulloch will omit the four million contraction of greenbacks until it can more safely be made, and that he will issue certificates to the banks in exchange for the 20 millions of compounds which mature next month. For obvious reasons it is also probable that he will not give out those certificates in exchange for Seven-thirties as he has been recommended to do. For by this he would virtually convert the Seven-thirties into a bank reserve. This course would

partake of the nature of inflation. It could be justified only by an emergency such as has not yet arisen, and such as, with judicious management, is not within the bounds of reasonable probability.

If these anticipations prove correct as to Mr. McCulloch's manipulations of the currency, and if the course of the money market be kept free of perturbation from currency irregularities, then there is good ground for believing that the predictions of stringency or panic will be disappointed, and our Fall business, on which so much depends, will not suffer decay or paralysis from this cause.

There are, however, other quarters from which apprehensions may arise. Public confidence is as important a condition for an easy money market as is an abundance of disengaged capital, and a stable financial machinery by which the movements of that capital may be facilitated between the lender and the borrower. How far this public confidence may be shaken by political causes and by foreign complications is a question which is well worthy the examination of every man whose business enterprises or speculative projects call for large monetary accommodation, or are tempting him to venture beyond his depth. For prudent conservative men, however, it is an advantage to be assured that, so far as the Treasury is concerned, nothing is doing, and nothing is likely to be done, that will tend to produce stringency; for the progress of the funding operations, which must be carried on up to June and July next, when the Seven-thirties mature, require, as an indispensable condition, that the money market should be steady and free from trouble.

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### RAILROADS AND CANALS FOR FREIGHT.

For some time past the comparative advantages of railways and canals in the transporting of freight have engaged public attention, and the Constitutional Convention, which has been in session at Albany through the summer, has occupied a long period in the discussion of the subject. This discussion has arisen out of the general question of canal enlargement, with regard to which great diversity of opinion has been developed, as is evidenced in the diverse reports presented to that body. For instance, the majority report of the Committee on Canals proposes an immediate enlargement of the locks together with certain improvements of the channel, as does also the minority report made by Hon. Israel T. Hatch, from the Committee on Finance. The majority, however, of this latter committee takes decided ground against any immediate enlargement, and proposes a modification of the financial article of the constitution, which will effectually preclude the undertaking of any such work for the next fifteen years; and a single member of the committee makes a special report to show that the canals of the State of New York have already passed the period of their greatest usefulness, and that henceforth we must depend upon railroads to meet the increasing wants of our internal commerce.

On a former occasion we submitted our reasons for deeming it injudicious to commit the State by constitutional provisions to either policy. It is very probable that during the present period when taxation, nation

al, State and local, is pressing heavily upon the people, the general sentiment will preponderate against such an increase of the State debt as would probably become necessary in case of enlargement. Nevertheless, it seems to be settled that the canals shall not be sold—the goose furnishing too good plucking to permit it to be done. In such case it is apparent that either the enlargement must be carried forward as soon as it is prudent, or some other avenue through the State must be furnished, to accommodate the carrying trade of the West. At the present time, the current of traffic sets strongly in the route across the State of New York, and our interests as well as our duty to sister States demand that we shall not obstruct this channel; that either the State must act, or the whole matter must be thrown open to private enterprise, regardless of its influence on our canal revenue. And just in this connection the question of freight railroads becomes of importance. If these are to supersede canals to any considerable extent, enlargement is entirely unnecessary. To our minds such an event appears possible, though we are aware of evident practical objections which must be first overcome. Yet as there is this possibility, and little probability of immediate enlargement, we see additional reason for reiterating our opinion that a public policy should be adopted which contemplates such a contingency and the State not be committed in its fundamental law to any fixed plan.

Were this question between canals and railroads one simply of rapidity of transportation, the railroads would certainly take the preference. The round trip from New York to Chicago and return is now accomplished in about twelve days by rail; while by water, thirty days more are required between this port and Buffalo. Even if steain should be introduced into the navigation of the canals this difference in time could not be diminished sufficiently to obviate the advantage in favor of the railroads. Then, again, the canals are closed and their navigation suspended during four or five months, while the railroads continue open the entire year. Besides, there is more or less danger of injury to breadstuffs from dampness, heating, etc., while making the slow journey by water, which is almost entirely obviated when they are carried by rail.

On account of these advantages our dealers in breadstuffs, to a large extent, even now supply the facilities afforded by railroads. They can often meet their orders in the city of New York in time, by bringing grain and flour at call from the entrepôts of the West, Toledo, Chicago and Milwaukee, and not be absolutely dependent on the supply already brought forward. The effect has been to diminish, to a remarkable extent the amount annually carried on the canals, while the railroads have steadily increased their business. The following table is compiled from the official documents, and shows the number of tons of breadstuffs transported on the Erie Canal and on the New York Central and the Erie Railroad for the past eleven years :

Year.	Erie Canal.	Central Railr'd.	Erie RR.
1856.....	475,385	283,027	148,948
1857.....	263,141	275,941	120,617
1858.....	454,881	301,507	154,534
1859.....	250,872	249,751	112,721
1860.....	710,138	343,872	137,233
1861.....	1,084,395	447,562	243,959
1862.....	1,777,292	469,985	261,594
1863.....	846,446	405,830	228,622
1864.....	606,891	461,511	215,986
1865.....	431,614	349,103	212,677
1866.....	289,166	453,668	297,963

These figures present the remarkable circumstance that our railroads are gradually but surely supplanting the canal for this species of freight, in spite of the fact that the transportation by railway is attended by disadvantages of a serious nature, many of which, however, could be obviated on a freight road. The freight cars are unsuitable, and the waste, therefore, in carrying breadstuffs is computed by shippers as high as  $1\frac{1}{2}$  per cent. There is great negligence also on the part of the persons employed by the railroad companies in respect to keeping all the cars together on freight trains, and so bringing them through to their place of destination. Indeed forwarders declare that in every shipment one or two cars are sure to be left somewhere on the way, putting them to great annoyance, expense and loss of time by such inexcusable carelessness. Then there are other difficulties or disadvantages not so easily obviated. A single canal boat, for instance, will carry eight thousand bushels of wheat, which is equivalent to the load of twenty freight cars. And what is of even more importance, lighters must be employed at considerable extra expense to take the freight brought by railroads to the part of the city desired, whereas canal boats can land at any point. Then, again, there is the difficulty of loading and unloading the immense number of cars which would be needed for this freight business. As at present managed, more extensive accommodations would be required for the purpose than any road can furnish. But we think that when the question is reduced to that point, some way will be found of obviating the difficulty. Whatever success has in the past attended railroads in competing with canals has been in spite of these disadvantages.

As to the charges for transportation by water, they increase as the season advances. At the present period the cost of bringing a bushel of wheat from Chicago to New York, including changes at Buffalo, is, we believe, about twenty-nine cents. They may advance ten or fifteen cents before the close of navigation. If we assume forty cents as the possible cost before navigation closes, the cost of carrying a ton of wheat by water from Chicago to New York would be between thirteen and fourteen dollars. Even this extreme price, however, is less than the charges by rail; and with freight trains always made secondary to those carrying passengers, and compelled to give way to them, we cannot expect much improvement. As throwing light upon this question, we have prepared the following table showing the business done by the Erie Railroad—the earnings, expenses and profits on freight—for the six years ending Sept. 30 in each year:

Year.	Tons carried one mile.	Gross earnings. in mills.	Gross earnings per ton per mile in mills & dec's.	Gross expenses. in mills.	Expenses per ton in mills.	Profits. in mills.	Profits per ton per mile in mills.
1860.....	214,084,396	\$1,884,342	18.14	\$3,143,594	10.01	\$1,700,816	8.13
1861.....	251,350,127	4,351,444	17.34	2,836,984	9.30	2,414,530	8.04
1862.....	351,092,255	6,642,915	18.92	3,353,346	9.56	3,289,569	9.36
1863.....	403,670,361	8,432,234	20.89	3,992,961	9.64	4,439,273	11.25
1864.....	4,2012,644	9,853,068	23.34	6,147,831	14.57	3,705,237	8.77
1865.....	333,557,213	10,723,264	27.61	7,712,542	19.57	3,047,722	7.74

By this table we perceive that, in the year 1861, the actual cost to the railroad of transportation was less than one cent a mile for carrying a ton of freight; and that the average for six years, notwithstanding the extraordinary expenses of 1865, was twelve and six-tenths mills,



or about a cent and one-fourth. This includes, it should be kept in mind, all interest on capital, repairs of cars, track, etc., of which the company charge more than the proper share, we think, to the freight traffic, since the wear of express passenger business is so much greater than the freight business. Besides, as the freight trains must give way for passenger trains, they are sometimes kept waiting at stations for hours, and this loss must be made up in extra speed, which increases the expense many times.

It will therefore be perceived in a moment, that by the employment of a railroad exclusively for freight, these disadvantages would be generally obviated, and expenses of transportation would be greatly reduced. Cars suitable for the business would then be employed, and there would be good reason to expect no such vexations as leaving off one or two cars from a train at places along the route. There would be no necessity for a speed exceeding ten miles an hour, which would obviate to a great degree the wear of cars and track, and yet make headway as fast as is now the case at fifteen miles. One express train wears more than ten freight trains. No time would be lost by waiting at stations, but the trip could be a continued one at a slow rate of speed from point to point.

It is thought that on a railroad built substantially for the purpose, from fifty to one hundred cars can be drawn by a single engine, and, of course, very many of such trains could be placed on the road every day, if necessary. This would enable it to do all the transportation that would be offered; and it is obvious that it could be at cheap and yet remunerative prices. As shown above the cost for wear of cars and track, and for other expenses, ought to be largely reduced from the present rates. It would appear, therefore, that if the average cost of the last six years of one and one-fourth cents per mile should be received for every ton of freight, a fair proportion of that amount would be net profit. At that rate the total charge from Chicago to New York would be about \$13.75 per ton for wheat, which is but little more than is charged for its transportation by water.

Imperfect as the estimates are which we have displayed, they seem to indicate sufficient uncertainty with regard to freight transportation, to make us hesitate before inserting a provision in the Constitution, committing the State to any certain fixed policy with regard to our canals. We would approve of leaving that instrument open, however, so that the Legislature, in case of any contingency, may have the power to act as necessity may require. The people do not desire a hide-bound policy, which will not allow them to take advantage of future developments or improvements.

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### COTTON MOVEMENT AND CROP FOR 1866-7.

(Taken from the *COMMERCIAL AND FINANCIAL CHRONICLE*, Sept. 21.)

We are now able to give our figures showing the total crop and movement of cotton in the United States for the year ending September 1, 1867. The receipts, as will be seen, very nearly approximate those of last year, the

reaching 2,019,271 bales, against 2,193,987 bales for the previous twelve months, indicating a decrease in the receipts this year of only 174,716 bales. It would be impossible to state with accuracy what proportion of this aggregate was the product of the last year, estimates differing so widely with regard to the amount of the old crop not brought forward at the close of 1865-6. We think, however, we may safely take this old surplus at 300,000 bales, and shall then have left about 1,700,000 bales as the total product of the past season. The new year begins with an unusually small stock in the interior, and we must therefore look almost entirely to the new crop for our receipts during the coming twelve months. We now bring forward our table showing the total receipts for each of the last two years, and the foreign exports the past year. In the last column will be found the stocks August 31, 1867:

**Receipts and Exports of Cotton (bales) from September 1, 1866, to September 1, 1867, and stocks at latter date.**

PORTS.	Receipts and Exports		Exported year end Sep. 1, '67 to—Stocks			
	Sept. 1, 1867.	Sept. 1, 1866.	Great Britain.	France.	Foreign.	Total. Sept. 1, 1867.
New Orleans.....	702,181	711,639	402,581	180,852	54,507	618,940 15,256
Alabama.....	239,516	490,102	145,566	4,852	3,506	153,424 3,714
South Carolina.....	162,816	119,463	75,547	3,524	1,536	80,599 1,223
Georgia.....	248,601	353,798	111,559	969	1,550	114,101 633
Texas.....	186,495	175,065	60,701	.....	16,178	76,913 2,233
Florida.....	57,451	149,439	3,019	.....	.....	3,109 5
North Carolina.....	35,633	64,658	534	.....	.....	534
Virginia.....	197,967	29,068	13,011	.....	.....	13,011 2,589
New York.....	119,801	141,659	376,306	23,460	66,002	469,668 41,497
Boston.....	33,463	21,066	16,024	.....	890	17,014 10,000
Philadelphia.....	58,556	52,728	4,155	.....	.....	3,155 3,000
Baltimore.....	2,721	3,800	7,580	.....	155	7,975 2,000
Portland Maine.....	.....	.....	103	.....	.....	103
San Francisco.....	.....	.....	23	.....	.....	23
Shipped to manu- facturers, &c.....	42,060	25,000	.....	.....	.....	.....
<b>Total.....</b>	<b>2,019,271</b>	<b>2,193,987</b>	<b>1,216,473</b>	<b>198,147</b>	<b>144,169</b>	<b>1,559,757 8*,155</b>
<b>Last year.....</b>	<b>2,193,987</b>	.....	<b>1,258,377</b>	<b>223,593</b>	<b>71,517</b>	<b>1,553,457 281,179</b>
<b>Increase this year.....</b>	.....	.....	.....	.....	<b>64,556</b>	<b>6,330</b>
<b>Decrease this year.....</b>	<b>174,716</b>	.....	<b>41,505</b>	<b>24,446</b>	.....	<b>193,024</b>

The following is our detailed statement of the receipts of cotton through the year (or as it is called, the cotton crop for 1866-7), and for comparison we bring forward our figures for 1865-6:

**Louisiana.**

	1866-7	1865-6
Exported from New Orleans:		
To foreign ports.....	618,940	516,188
To coastwise ports.....	248,576	252,355
Stock at close of year.....	15,256	862,573
Deduct:		
Received from Mobile.....	36,676	36,468
Received from Montgomery.....	10,793	4,873
Received from Florida.....	11,810	12,735
Received from Texas.....	19,081	82,111
Stock beginning of year.....	102,039	180,441
	102,181	83,239
<b>Total product for the year.....</b>	<b>702,181</b>	<b>711,639</b>

**Alabama.**

Exported from Mobile:		
To foreign ports.....	153,494	370,981
To coastwise ports.....	98,158	142,764
To New Orleans from Mobile.....	10,793	4,873
Burnt at Mobile.....	2,437	6,307
Stock at close of year.....	3,714	268,525
Deduct stock at beginning of year.....	.....	29,516
<b>Total product for year.....</b>	<b>239,516</b>	<b>429,109</b>

\* These are the shipments from Tennessee, &c., the total being 256,340 bales, as may be seen more fully in a subsequent table. The amount shipped to manufacturers is estimated.

Texas.				
Exported from Galveston :				
To foreign ports.....	76,918		64,868	
To coastwise ports.....	113,936		115,943	
Stock at close of year.....	2,233	194,084	8,511	188,923
Deduct stock at beginning of year.....		7,589		12,857
Total product for year.....		186,495		175,065
Florida.				
Exported from Apalachicola, St. Marks, &c.:				
To foreign ports.....	3,019		37,977	
To coastwise ports.....	54,156		23,943	
Burnt at Apalachicola.....	1,069			
Stock at close of year.....	5	58,369	163	163,063
Deduct—				
Stock beginning of year.....	163		12,650	
Recovered of burnt cotton.....	656	818		12,650
Total product for year.....		57,451		149,433
Georgia.				
Exported:				
To foreign ports—Upland.....	106,670		88,313	
—Sea Island.....	7,431		4,593	
To coastwise ports—Upland.....	136,113		161,066	
—Sea Island.....	6,063		5,113	
Burnt at Savannah.....	51			
Exported from Darien to North'n ports.....	743		489	
Stock at Savannah close of year.....	633	257,703	3,240	263,603
Deduct—				
Received from Florida.....	5,893			
Stock beginning of year.....	3,240	9,103	4,005	4,005
		948,601		263,796
South Carolina.				
Exported from Charleston :				
To foreign ports—Upland.....	73,909		51,619	
—Sea Island.....	7,967		2,305	
To coastwise ports—Upland.....	80,943		50,894	
—Sea Island.....	8,766		2,435	
Exported from Georgetown, Port Royal, &c., to North- ern ports.....	1,553		1,701	
Burnt at Beaufort and Hilton Head.....	45			
Stock at Charleston end of year.....	1,236	173,439	5,535	115,579
Deduct:				
Received from Florida.....	5,647		945	
Stock at Charleston beginning of year.....	5,535	11,189	1,973	2,917
		163,947		112,463
North Carolina.				
Exported:				
To foreign ports.....	534		31	
To coastwise ports.....	33,069	33,633	64,633	64,633
Total product for year.....		33,633		64,633
Virginia.				
Exported:				
To foreign ports.....	13,011			
To domestic ports.....	105,333		29,394	
Manufactured (taken from Petersburg).....	8,000		6,833	
Burnt at Norfolk.....	2,500			
Stock Sep. 1, '67, at Petersburg.....	1,089			
Norfolk &c.....	1,500			
Deduct stock Sept. 1, 1866.....	2,589	131,333	3,466	29,083
		2,466		
		127,867		29,083
Tennessee, &c.				
Shipments				
From Memphis.....	236,596		213,504	
From Nashville, Columbus, Hickman, Ky., &c.....	83,459		70,000	
Stock at Memphis and Nashville at end of year.....	1,431	310,796	10,331	299,335
Deduct:				
Shipped direct to manufacturers*.....	42,000		35,000	
Shipped to New Orleans.....	43,615		39,133	
Stock beginning of year.....	10,831	96,446	12,450	80,532
Shipments to New York, Boston, &c.....		†214,340		213,753

\* This estimate of shipments direct to manufacturers from Tennessee, &c., includes not only the amount so shipped to points on the Ohio, but throughout the whole North.

† This is the amount received from Tennessee, &c., at New York, Baltimore, Boston and Philadelphia, as follows:—Received at New York, 119,601 bales; at Baltimore, 2,721 bales; at Boston, 33,433 bales; at Philadelphia, 58,565 bales—as may be more fully seen in our previous tables.

Add shipped to manufacturers, as above.....	42,000	35,000
Total product of the year, except amount shipped to New Orleans.....	255,340	253,733
From the foregoing it will be seen that the total crop of the United States for 1866-7 was. ....		
Total exports from the United States for 1866-7. ....	1,558,787	

Below we give the total crop each year since 1820 :

Bales.	Bales.	Bales.
1825-6..... 2,198,987	1847-8..... 2,347,624	1869-70..... 1,170,438
1861-5..... * (no record)	1846-7..... 1,778,651	1881-2..... 967,477
1860-1..... 3,656,088	1845-6..... 2,100,537	1880-1..... 1,083,848
1859-60..... 4,692,770	1844-5..... 2,394,508	1879-80..... 978,845
1858-9..... 3,851,461	1843-4..... 2,030,409	1878-9..... 870,415
1857-8..... 3,113,963	1842-3..... 2,373,875	1877-8..... 727,593
1856-7..... 2,989,519	1841-2..... 1,698,574	1876-7..... 957,281
1855-6..... 3,537,845	1840-1..... 1,634,945	1875-6..... 720,027
1854-5..... 2,847,339	1839-40..... 2,177,835	1874-5..... 569,249
1853-4..... 2,930,037	1838-9..... 1,380,533	1873-4..... 509,158
1852-3..... 3,263,893	1837-8..... 1,801,497	1872-3..... 495,000
1851-2..... 3,015,039	1836-7..... 1,423,930	1871-2..... 455,000
1850-1..... 2,355,297	1835-6..... 1,380,735	1870-1..... 430,000
1849-50..... 2,096,706	1834-5..... 1,264,323	
1848-9..... 2,735,596	1833-4..... 1,303,344	

The crop of Sea Island the past year has been as follows: Florida, 12,632 bales; Georgia, 7,646 bales; South Carolina, 12,060 bales—total, 32,328 bales. the particulars of which are set out below :

Florida—Bales.....	12,632
Georgia—Exported Foreign.....	7,431
Domestic ports.....	6,063
Stock end of year.....	122
Deduct Received from Florida.....	5,323
Stock beginning of year.....	447
Total Sea Island and Georgia.....	7,646
South Carolina—Exported foreign.....	7,987
Domestic ports.....	9,403
Stock end of year.....	194
Deduct received from Florida.....	5,899
Stock beginning of year.....	235
Total Crop of Sea Islands.....	32,328

The crop of Sea Islands during former years has been as follows :

1853-4.....bales 39,696	1850-7.....bales 45,314	1859-60.....bales 46,649
1854-5..... 40,841	1837-8..... 40,566	1860-61..... No record
1855-6..... 44,513	1858-9..... 47,593	

The total exports for the year reach as above 1,558,787 bales, which is an increase of 6,330 bales on last year's total, when the figures were 1,552,457 bales. If we average these bales at 450 lbs., and the price received at 12d. per lb., the value in gold of our cotton exports for the year was 170 millions of dollars. These figures very forcibly exhibit the impolicy of cotton regulations and taxes which fetter production. For the convenience of our readers we bring forward the exports of previous years, giving in the table below the foreign movement for five years :

#### Total Exports of Cotton to Foreign Ports for Five Years.

From—	Exports to foreign ports for year ending Aug. 31				
	1859.	1860.	1861.	1866.	1867.
New Orleans.....bales.	1,580,581	2,005,663	1,783,673	516,188	618,940
Mobile.....	514,935	659,481	450,421	270,934	153,424
South Carolina.....	389,934	386,770	214,838	53,834	80,896

\* Authorities differ as to the amount raised during the war period. Some estimate it as low as 3,300,000 bales for the four years, and others as high as 7,600,000 bales.

From—	1859.	1860.	1861.	1862.	18
Georgia.....	262,041	237,755	302,187	22,905	114,
Texas.....	79,534	111,987	63,309	64,338	76,
Florida.....	40,852	59,108	26,073	27,977	2,
North Carolina.....			195	21	
Virginia.....		2,259	810		13,
New York.....	182,460	203,023	242,049	465,463	469,
Boston.....	8,257	9,694	23,225	12,014	17,
Philadelphia.....	1,715	292	2,798	2,035	2,
Baltimore.....	104	257	2,545	6,709	7,
Portland, Maine.....					
San Francisco.....					
Total from the United States....	2,021,408	2,774,173	2,127,568	1,552,457	1,552,

In the above table of exports we have omitted, for obvious reasons, the figure for the period during the war. The home consumption of cotton the past year has been as follows:

## Consumption.

Total crop of the United States, as above stated.....	2,019,
Stock on hand commencement of year, Sept. 1, 1866—	
In Southern ports.....	162,826
In Northern ports.....	120,254— 283,
Total supply during the year ending Sept. 1, 1867.....	2,302,
Of this supply there has been	
Exported to foreign ports during the year.....	1,569,787
Burnt at New York.....	5,062
Burnt in the South.....	6,122,
Now on hand (September 1, 1867)—	
In Northern ports.....	52,497
In Southern ports.....	26,653—1,653,
Total consumed in the United States during the year ending Sept. 1, 1867. .	649,
Estimated consumption in the Southern States.....	70,
Consumption in the Northern states for the year.....	579,

This as will be seen is equal to a consumption in the Northern states of about 11,000 bales per week. The total consumption in the United States each year since 1847, has been as follows:

Year.	Total, U. S.	Year.	Total, U. S.	Year.	Total, U. S.
1847-8.....bales	616,044	1853-4.....bales	787,226	1859-60.....bales	972,
1848-9.....	642,426	1854-5.....	766,412	1860-1.....	842,
1849-50.....	612,498	1855-6.....	770,729	1861-2.....	no rec
1850-1.....	425,614	1856-7.....	819,926	1862-3.....	667,
1851-2.....	699,603	1857-8.....	596,563	1863-4.....	649,
1852-3.....	803,725	1858-9.....	927,651		

In connection with the figures we have given above, the following indicate the imports of cotton at Liverpool for the year ending August 31, 1866, and the stocks at that port and on the Continent August 31 of each year will be of interest:

## Imports of Cotton at Liverpool for years ending August 31, 1866, and Stock at dates.

	Imports.		Stocks.	
	Year end'g Aug. 31, 1867.	Year end'g Aug. 31, 1866.	Aug. 31, 1867.	Aug. 31, Aug. 1866.
American.....	1,229,614	1,220,709	212,550	224,010
Brazilian.....	397,923	449,670	122,190	109,230
Egyptian, Smyrna, &c.....	202,323	262,409	48,500	28,540
West Indian.....	101,226	107,701	27,900	23,120
East Indian.....	1,159,426	1,558,888	272,850	423,210
China and Japan.....	4,616	14,822	1,570	7,820
Total.....	2,106,158	2,654,179	792,560	926,140
Stock at London.....			96,620	93,259
" at Havre.....			102,000	120,000
" at other ports (estimated).....			20,000	20,000
Total stocks in Europe.....			1,022,240	1,221,153

To complete our record, we give below a table showing the price of middling uplands at New York and Liverpool once a week during the last two years :

Prices of Cotton at New York and Liverpool two years.

Date.	1866-7		1865-6		Date.	1866-7		1865-6	
	New York.	Liverpool.	New York.	Liverpool.		New York.	Liverpool.	New York.	Liverpool.
Sept. 7	32½	18½	44	18½	March 8	29½	18½	40	18½
" 14	32½	18½	45	..	" 15	31½	18½	41	19½
" 21	32½	18½	45	..	" 22	30½	18½	40	19½
" 28	32½	18½	44½	19	" 29	30	18½	40	19½
Oct'r 5	32½	14½	49	24	April 5	27½	12½	38	18
" 12	40	15	59	24½	" 12	27	12	37	15½
" 19	42	15½	57	23½	" 19	25	11½	36	14½
" 26	39	15	58	23	" 26	26½	10½	31	15½
Nov. 2	39	15	56	20½	May 3	27	11½	38	18½
" 9	37	14½	51	20½	" 10	27	11	34	12½
" 16	33	14	51	19½	" 17	28½	11½	35	11½
" 23	34	14	53	..	" 24	17	11	40	12
" 30	33½	14	49	20½	" 31	27½	11½	32	18½
Dec. 7	33½	14	49	..	June 7	27	11½	37	18
" 14	34	14½	49	..	" 14	27	11½	39	14
" 21	34½	14½	51	21	" 21	26½	11½	37	12½
" 28	33½	14½	51½	..	" 28	26	11	37	18½
Jan. 4	35½	15½	51	20½	July 5	26	10½	35	14
" 11	34½	14½	50	19½	" 12	26½	10½	35	14
" 18	35	14½	51	19½	" 19	26½	10½	36	18½
" 25	35	14½	47	19½	" 26	27	10½	36	14
Feb. 1	33½	14½	48	18½	Aug. 2	28	10½	36	14
" 8	33	14½	46	19½	" 9	28	10½	34	18½
" 15	33	14	44	19	" 16	28½	10½	34	18½
" 22	33	18½	45	18½	" 23	28½	10½	33	18½
March 1	32	18½	44	18½	" 30	27	10½	32	18½

### CLEVELAND AND TOLEDO RAILROAD.

This road extends from Cleveland to Toledo, 112½ miles, forming a link in the great lake-shore line of railroads from Buffalo westward. A lateral line also extends from Cleveland to Sandusky, 60 miles. Until last year a section of the Cleveland, Columbus and Cincinnati Railroad, from Cleveland to Grafton, 25 miles was used by this company, but the new line between Oberlin and Elyria having been opened on the 10th September last, the use of that road was discontinued.

The fiscal year of the company closes on the 30th April.

The stock of engines and cars on the road at the commencement of 1862-63, and at the close of each succeeding year was as follows :

	May 1, '63.	1863-63.	1863-64.	1864-65.	1865-66.	1866-67
Locomotive engines.....	33	37	37	37	37	40
Passenger and mail cars.....	61	56	54	54	58	53
Freight cars.....	368	479	636	638	810	866
Cars of all kinds.....	454	535	690	693	868	919

—not including working and gravel cars.

The operations on the road yearly are shown in the statements which follow, viz. :

#### 1. Passenger traffic:

	1862-63.	1863-64.	1864-65.	1865-66.	1866-67.
Going East.....	64,048	82,063	143,006	85,366	79,551
Way.....	98,096	142,609	146,087	138,219	172,839
Total.....	162,739	224,672	289,093	270,575	252,390

	1863-63.	1863-64.	1864-65.	1865-66.	1866-67.
Going West....	{ Thro'..... 60,791	93,180	134,773	136,504	111,648
	{ Way..... 100,337	146,546	165,335	300,407	176,484
	{ Total..... 161,130	239,726	300,097	336,911	288,132
Passengers both ways.....	323,859	464,248	636,173	607,486	540,522
Miles travelled.....	30,650,778	36,408,308	33,133,340	37,362,769	33,121,364
Earnings per mile.....	\$3 73	\$3 75	\$3 88	\$3 28	\$3 37

## 2. Freight traffic.

	1863-63.	1863-64.	1864-65.	1865-66.	1866-67.
Tonnage East..	{ Thro'..... 201,385	187,019	159,918	229,109	237,353
	{ Way..... 73,063	97,773	104,086	71,737	90,106
	{ Total..... 274,453	284,791	263,949	300,866	427,461
Tonnage West..	{ Thro'..... 71,387	92,735	90,968	116,303	180,806
	{ Way..... 37,963	54,901	55,469	54,154	73,682
	{ Total..... 109,350	147,636	146,453	173,357	254,488
Tons both ways.....	383,803	432,417	410,401	474,223	681,951
Miles transportation.....	25,510,471	37,644,847	34,791,323	44,223,973	61,305,114
Earnings per mile.....	\$3 24	\$3 41	\$3 39	\$3 63	\$3 36

The earnings and expense accounts yearly for the last five years are thus reported :

	1863-3.	1863-4.	1864-5.	1865-6.	1866-7.
Passenger.....	\$564,536 89	\$734,059 41	\$1,032,478 47	\$1,140,966 81	\$937,129 15
Freight....			979,553 01	1,139,781 84	1,415,444 97
Mail.....			25,349 93	25,349 93	25,000 09
Express....	797,000 44	907,206 43	70,319 18	32,349 39	113,790 77
Total gross earnings.....	\$1,361,537 36	\$1,691,265 83	\$2,104,098 64	\$2,338,866 93	\$2,492,314 89
Op's exp's.....	\$544,432 49	\$739,373 54	\$1,080,756 04	\$1,117,074 50	\$1,334,637 55
U. tax's.....			58,672 64	60,454 24	37,399 47
State tax's.....			45,015 65	61,535 83	54,432 56
Rents.....			59,577 93	63,536 96	61,641 73
Exchange, disc', &c.....	373,303 11	376,947 87	37,095 82	19,580 88	21,366 38
Inter't on bonds.....			172,869 22	173,636 22	202,577 66
Expenses & inter't.....	\$916,635 60	\$1,106,320 41	\$1,449,187 30	\$1,535,786 77	\$1,762,295 35
Dividends.....	135,733 00	327,522 00	492,643 10	637,082 00	723,918 40
Surplus.....	311,099 66	247,533 43	162,268 24	236,059 25	1,001 14
Total ...	\$1,361,537 36	\$1,691,265 83	\$2,104,098 64	\$2,338,866 93	\$2,492,314 89

Besides the dividends above noted there was paid in August, 1864, an extra 10 per cent. dividend (\$491,326) from accumulated surplus income.

The results of the business of the company from September 1 1853, yearly to April 30, 1867, are given in the following summaries. The receipts and expenses have been as follows :

Year ending—	Passenger.	Freight & Mail.	Total.	Operating expenses.	Earnings less expenses.
May 31, 1854*.....	\$409,523 29	\$38,048 03	\$787,570 37	\$319,069 15	\$738,481 22
" 1855.....	573,303 79	307,616 63	780,920 42	376,046 97	404,873 50
" 1856.....	681,702 70	279,788 85	961,471 15	463,009 09	498,462 06
Apr. 30, 1857.....	677,417 56	373,488 93	1,050,906 79	516,019 17	534,886 69
" 1858.....	563,370 41	341,898 05	905,268 46	493,463 01	411,805 45
" 1859.....	435,587 46	312,618 20	748,205 66	363,699 73	384,505 93
" 1860.....	434,233 87	409,047 49	843,281 36	367,736 51	475,544 85
" 1861.....	453,234 66	466,716 43	919,971 08	436,015 40	483,955 68
" 1862.....	427,325 25	573,353 17	1,000,678 42	460,149 23	540,529 19
" 1863.....	564,536 89	797,000 44	1,361,537 36	544,432 49	817,104 87
" 1864.....	784,059 41	907,206 43	1,691,265 83	739,373 54	951,892 29
" 1865.....	1,032,478 47	1,005,402 99	2,104,098 64	1,080,756 04	1,023,342 60
" 1866.....	1,334,236 80	1,165,031 52	2,338,866 93	1,117,074 50	1,221,792 43
" 1867.....	1,050,919 93	1,441,394 89	2,492,314 89	1,334,887 55	1,157,427 34

The disposition made of the earnings less expenses (profits) in each year, is shown in the following statement :

Years ending	Int., profit & loss, extraordinary expenses, &c.	Dividends. Amount.	Rate.	Residual. Debtor.	Creditor.
May 31, 1854*.....	\$67,478 82	\$133,678 87	5	\$.....	\$78,323 87
" 1855.....	194,198 00	276,018 75	10	.....	8,561 15
" 1856.....	152,397 00	241,175 00	8	.....	102,990 03

\* Sept. 1, 1853, to May 31, 1854—9 months.





The market value of the company's stock, as indicated by sales at the New York Stock Exchange (lowest and highest in each month,) is shown in the following compilation from the records :

	1862-3.	1863-4.	1864-5.	1865-6.	1866-7.
July .....	45 @ 49%	107 @ 117	181 @ 144	101 @ 104	106% @ 116%
August .....	46% @ 64%	118 @ 123	125% @ 134	95% @ 102	115% @ 117
September .....	53% @ 69%	113 @ 121	108 @ 126	108 @ 109	114% @ 123
October .....	67% @ 78	114 @ 120	98 @ 116	110 @ 111	118% @ 123%
November .....	65% @ 70%	118 @ 119%	108 @ 114%	102% @ 105	111% @ 121%
December .....	66 @ 72%	109 @ 121	107 @ 112%	102% @ 115	111% @ 126
January .....	77% @ 97	120 @ 141	108 @ 122	108 @ 118%	117 @ 126%
February .....	86% @ 96%	125% @ 140%	114 @ 115	108 @ 108%	117 @ 121
March .....	93% @ 98%	142 @ 151%	90 @ 109	107 @ 118	116 @ 122
April .....	92% @ 106%	138 @ 157	92 @ 108	99% @ 105%	109% @ 115
May .....	108 @ 117	145 @ 154%	96 @ 108	106 @ 105%	113% @ 114
June .....	105 @ 116%	183 @ 161%	98 @ 105	104% @ 107	113% @ 123%
Year .....	45 @ 117	107 @ 127	90 @ 144	99% @ 115	109% @ 126%

The range in July and August, 1867, was 119½@126, and 121¼@127½. The contemplated consolidation of the company with the Cleveland, Painesville and Ashtabula Company has had a very favorable effect on their stock.

## PUBLIC LANDS OF THE UNITED STATES.

(Concluded from page 216, vol. 57.)

### LEGISLATION IN REGARD TO MINERAL INTERESTS.

The mineral interests in the public lands have been the subject of legislation during a period of eighty-one years. The ordinance of 20th May, 1785, reserved one-third part of all gold, silver, lead, and copper mines; the act of 3d of March, 1807, dealt with lead mines; the enactment of 3d of March, 1829, authorized their sale in Missouri; the pre-emption act of 4th of September, 1841, excluded from its provisions known salines or mines; the act of July 1, 1864, requires coal lands, which, as mines, are excluded from the pre-emption of 1841, to be offered at twenty dollars minimum, making them pre-emptible at that rate.

In the case of the *United States vs. Gear*, 3 Howard, 1845, it was held that it was not intended to subject lead mines to ordinary sale or pre-emption in certain districts created by act of 26th of June, 1834.

In Attorney General's opinion, dated April 18, 1846, respecting mineral lands on Isle Royal, in Lake Superior, it was stated that "salines, gold, silver, lead, and copper mines" were reserved for "future disposal of Congress."

The act of July 11, 1846, required the lead mines in Illinois, Arkansas, Missouri, and Iowa, to be offered, interdicting pre-emption until after offering, and then at a minimum of \$2 50 per acre, but if not taken at private entry within a year of the public sale to be subject to sale as other lands.

The act of 1st of March, 1847, in creating the Lake Superior district, and directing geological survey, authorizes the sale of lands containing "copper, lead, or other valuable ores," with \$5 per acre minimum.

The act of 3d of March, 1847, for organizing the Chippewa district, Wisconsin, and also authorizing geological survey, awards the privilege of purchase, at \$5 per acre, to occupants at the date of the law, the super-

vision of mines, by act of 3d of March, 1849, having been transferred to the Secretary of the Interior.

In opinion of 28th of August, 1850, the Attorney General held that lands containing "iron ore merely" are not the "mineral lands" referred to in the 2d section of said act of 1st March, 1847.

By the law of 26th of September, 1850, mineral tracts in Lake Superior and Chippewa districts were to be disposed of as other public lands.

The act of September 27, 1850, creating the office of Surveyor General of Oregon and making donations, excludes "mineral lands" or reserved salines. By the treaty of 1851 with Peru, Peruvians are allowed to work for gold in California; the third section of act March 3, 1853, for the surveys in that State, allowing only "township" lines to be extended over lands mineral or unfit for cultivation; the sixth section excepting mineral tracts from pre-emption.

The act of July 22, 1854, establishing the offices of Surveyors General of New Mexico, Kansas and Nebraska, excludes from the privileges it concedes to individuals "mineral or school lands, salines, military or other reservations."

The Attorney General's opinion of February 14, 1860, states that Congress had not then made any provision concerning mineral lands in California, except reserving from pre-emption and donation.

The act of July 1, 1864, for the disposal of coal land and town property, allows coal lands not liable under past legislation to ordinary private entry to be taken or pre-empted at \$20 minimum per acre.

The act of July 4, 1866, giving authority for varying surveys in Nevada from "rectangular form to suit the circumstances of the country," reserves from sale "in all cases lands valuable for mines of gold, silver, quicksilver or copper."

The last and most important expression of the public will in these respects is found in the act of Congress approved July 26, 1866, chapter CCLXII, which declares that "the mineral lands of the public domain, both surveyed and unsurveyed," are "to be free and open to exploration and occupation by all citizens of the United States, and those declaring their intention to become citizens, subject to such regulations as may be prescribed by law," and "subject also to the local customs or rules of miners in the several mining districts, so far as the same may not be in conflict with the laws of the United States."

In the second section it stipulates "that whenever any person or association of persons claim a vein or lode of quartz, or other rock in place, bearing gold, silver, cinnabar or copper, having previously occupied and improved the same according to the local custom or rules of miners in the district where the same is situated, and having expended in actual labor and improvements not less than \$1,000," such claimants, where there is no conflict, after filing in "the local land office a diagram of the same," according to local laws, customs, and miners' rules, can "enter such tract and receive a patent therefor, granting such mine, together with the right to follow such vein or lode with its dips, angles, and variations to any depth;" the other sections of that law prescribe with speciality the mode of consummating individual rights; also in reference to conflicts; in regard to the right of way; to the priority "of possession;" of rights to the use of water for mining, agriculture, manufacturing, or other purposes; to

homesteads existing prior to the date of the act, which are used for agriculture, on which valuable mines are not discovered, the law conferring authority on the Secretary of the Interior for setting apart, after survey, the agricultural lands so as to subject them to pre-emption and sale.

Such is a brief outline of the principles asserted in legislation at different times respecting the minerals in the public domain, in regard to which it will be seen that, by recent legislation, important duties are devolved both upon the local officers and the department.

#### LANDS, SWAMP AND INUNDATED.

Legislation, in this respect, had its origin in the purpose of providing a land fund wherewith to enable the beneficiaries, as grantees of the United States, to construct levees for checking devastating floods like those which break over the banks of the Mississippi, submerging the regions of the St. Francis and Arkansas. The grant further contemplated the making of drains in swampy places, so that all such lands might not only be reclaimed and laid open to cultivation, but be relieved from pestilential malaria.

The original act of 1849 was restricted to Louisiana. The act of 1850 extended to all the States having lands of this character, and the act of 1860 added to the number of grantees.

The interests claimed under these grants have grown to immense proportions, the aggregate selected to 30th June, 1866, amounting to fifty-eight million six hundred and forty-nine thousand two hundred and seventeen acres, of which forty-three million two hundred and four thousand seven hundred and seventy-four acres have been actually patented and titles vested.

In the disposal, under general laws, of the public lands, numerous individual sales and locations were made falling upon tracts claimed as swamp, thereby creating conflicts and controversies. Congress thereupon intervened the act of March 2, 1855, confirming individual titles, and allowing to the States indemnity in cash where cash was paid to the United States, and in other lands where the premises disposed of were taken by bounty land or other locations. This law was extended by act of March 3, 1857.

The original decision and practice of the General Land Office rejected all selections as the basis of indemnity unless such selections were made and reported prior to the passage of said act of 1857.

The late Attorney-General's opinion of April 20, 1866, overruled that decision, and held that in cases of sales or locations prior to the act of March 3, 1857, the right to swamp indemnity exists, even though the selections were made and reported subsequent to that statute.

The aggregate indemnity granted up to the 30th of June, 1866, was, in cash, \$507,201 37, and in lands, 478,036.93 acres.

The act of March 12, 1860, extending the grant of 1850 to Oregon and Minnesota, only allows selections to be made from lands undisposed of, excluding indemnity, and, in regard to surveys made thereafter, fixes a period of two years within which selections must be made, that period to date from the session of the legislature next ensuing official notice of the completion of surveys.

It is suggested that the time for making selections of lands hereafter to

be surveyed shall be limited to two years from the reception of the official plats at the district office, and, in consideration of the indefinite character of the grant, and the various views held by different functionaries in the administration of it, supplemental legislation is recommended, so as to define the purpose of Congress in the matter as to make certain the pathway of the Executive in executing the laws, and at the same time ordering formalities to be observed, after notice, in establishing these interests similar to those provided in the adjustment of pre-emption claims.

The provisions of the act of Congress approved July 23, 1866, "to quiet land titles in California," have been carefully examined, and instructions communicated to the surveyor general and registers and receivers in that State, in order to give full and summary effect to its provisions respecting swamp and other interests.

#### TIMBER ON THE PUBLIC LANDS.

Its protection is an incident to the land administration. In 1817 Congress passed the first act for the preservation of live oak and red cedar for naval purposes, with penalties for cutting and destroying trees.

The Attorney General in 1821 decided—referring to 3rd Wheaton, page 181—that, independent of positive legislation, the United States had the same civil rights and remedies as individuals for protection of property, real or personal.

In 1831 another act was passed, extending the interdict against spoliation.

The Supreme Court of the United States—case, *United States versus Brigg*, 9 Howard, page 351—construed this statute as authorizing the protection of all timber on public lands, and punishment for trespass.

In 1845 the Attorney General considered it the pre-emptor's privilege to destroy and use any trees on the tract claimed as might be necessary, in order to clear and enclose with a view to cultivation and the making of a home.

In 1855 the management of the timber interest was transferred to the General Land Office, which has employed the registers and receivers, without additional compensation, to prevent the mischief.

The means thus used have been generally successful, not only without cost, but with profit to the treasury.

Where trespass has been committed by timber dealers, stumpage is exacted, or the timber seized, sold, and the proceeds paid into the treasury.

Where there has been trespass through ignorance, and with no purpose of spoliation, the actual entry of the land is required with payment of costs; but in all cases, pre-emptors and parties entering under the homestead are protected and secured in the privilege of using trees on the land claimed, for clearing, fencing, cultivation, the construction of a house to live in; also for ordinary domestic purposes; and if sanctioned by the head of the department, it may be extended, under reasonable limitations, to interests under act of July 26, 1866, which confers the right of mining, where the extension may not be beyond individual necessities, nor amount to waste or spoliation.

**IMPORTANCE OF PROMOTING THE PLANTING AND GROWTH OF TREES.**

The earliest settlements began in the timber region, and where the felling of the forest was a necessity to make way for the plough.

We have now reached a period when the demand for timber is rapidly on the increase, and the supply diminishing. Settlements, too, are approaching the treeless regions of the plains.

By what agency the western prairies and the country beyond have been denuded, it is useless to speculate. Experience has established the fact that those regions, by protection from fire and proper care, may be covered with a growth equal to the wants of settlers, and may be continually renewed for all time. In fact, it is known in places in Ohio and Illinois that where the land is protected from fire and other causes destructive of culture, there is a spontaneous growth of timber.

The demand, however, as stated, is undoubtedly increasing to an enormous extent, the States which appear to have at present an abundance in higher latitudes being those bordering on Lake Superior and Lake Erie, comprising the northern parts of Michigan, Wisconsin, and Minnesota; yet even there the supply is so diminishing as to be a matter of serious concern.

Projects have been suggested for planting and rearing forests; and yet, while all descriptions of timber are becoming scarce in settled communities, and more expensive, it is nevertheless the conviction that the evil may be lessened by proper effort in all the States east of the great plains, and even in those plains the grand forests of the Cascade region will furnish supplies, until the science of arboriculture may clothe such treeless localities as are not appropriated to cereal cultivation.

A modern writer of eminence ventures the assertion that, with proper care and protection, even inarable territory and sandy deserts, as in Arabia and Africa, might in places be covered with forests, the theory not being inconsistent either with experience or the deductions of science. In fact, many acres in the Scioto and Miami valleys, in Ohio, are to-day covered with a thrifty timber growth sufficient for fuel and fencing, which thirty years ago were entirely destitute. It is stated that timber is becoming sufficiently abundant for domestic uses in that State, where the land at the period of first settlements was without trees, and in the ordinary parlance of the times was known as "the barrens;" the process of timber cultivation being now in fact silently going on in the States of the west as well as these in middle latitudes.

The process of fostering this interest might be encouraged and advanced by so amending the homestead law as to require settlers in localities where there is a scarcity of timber to plant on each homestead tract a few hundred trees, as part of a system of cultivation necessary to complete the settler's title, to be shown in proving up the claim at the end of the five years' settlement now exacted by law; and further, by making it obligatory upon United States surveyors to plant midway between each pit and trench the seeds of trees adapted to the climate, the fact of planting and kind of seed to appear in the field-notes of survey, the duty to be enforced under penalty of forfeiture of part of the money agreed to be paid under the surveying contract. In our instructions to surveyors general and deputies this proceeding was recommended, but could not be enforced in the absence of legal stipulations, and has accordingly fallen into disuse.

The system might further be extended by ordering the experiment at military posts and Indian agencies, requiring a number of acres to be enclosed and planted, or at least by stipulations that a limited area at such places shall be so protected as to leave them to the spontaneous action of nature. Facts could in this way be accumulated which might ultimately develop a general system, and lead to advantageous results in connection with this interesting and important subject.

The method of planting and rearing trees is reduced to a science, the peculiarities of localities best adapted to different species having been ascertained. It is known that the pine and fir tribe are generally grown on sandy, shallow surface soil; other trees are natives of swamps; while the oak, hickory, chestnut and others of hardier and more solid growth, exist in natural and better soils suited to their several peculiarities.

Such is the case with wild fruit trees, which have been changed into improved fruit-bearing orchards through the teachings of vegetable anatomy and physiology. The homestead settlers, or other parties upon whom the legislative department may lay its injunctions, can select seed or young growth best adapted to the soil in hand, little labor being required for forest or ornamental trees which naturally grow in wild and uncultivated territory. The variety of soils existing in the public lands affords ample opportunities for encouraging this culture, and, under the requirements of law in the interests contemplated, may lead to valuable results in causing the product of cultivated forest to make good the deficiency created by the rapid advance of settlements and necessary destruction of the forests of the wilderness; also supplying timber wants in treeless territories.

#### DONATION CLAIMS.

Under the act of Congress, approved September 27, 1850, creating the "office of surveyor general of the public lands in Oregon, and to provide for the survey, and to make donations to settlers of the said public lands," and the several acts supplemental, there were granted to individuals arriving in Oregon and Washington before December 1, 1855, and commencing residence and cultivation prior to date, the quantity of 640, 320, and 160 acres to the several classes respectively mentioned in these laws.

Under these statutes there have been returned to the General Land Office by the registers and receivers in Oregon and Washington for patent 4,524 certificates, covering by estimate 1,637,688 acres, and patents have issued on 3,311 certificates, embracing 1,282,423  $\frac{2}{3}$  acres.

There is a class of donations in Oregon and Washington where settlements were made prior to the extension of the lines of the public surveys, in which claimants under existing legislation may defer indefinitely their applications for survey by failing to come forward and pay for the same.

It is recommended that in all such cases a limitation by law be imposed, say twelve months, within which, if the surveys are not applied for, it shall be the duty of the surveyor general to fix the location according to the regular legal subdivisions.

It is the duty of the General Land Office, in all cases where Indian treaties stipulate that titles shall be given, to issue the patents for reservations, generally with a condition that a sale cannot be made by the re-

servee without the consent of the President or of the Secretary of the Interior; yet in some cases unconditional grants are ordered.

For the year ending June 30, 1866, there have been issued twelve hundred patents, including two hundred and ninety-eight thousand two hundred and fifty-six (298,256) acres of the following:

Sacs and Foxes of the Mississippi, Wyandotta, Stockbridges, Pawnee and half-breeds, Ponca half-breeds, Winnebagoes, Sacs and Foxes of Missouri, Pottawatomies, Kansas Indians, Ottawas, and Chippewas.

The range of our operations heretofore in this branch of the land service has embraced reservations under treaties with the Pottawatomies, Ottawas, Miamies, Wyandotta, Creeks, Chickasaws, Choctaws, Pawnees, Delawares, Sioux, Shawnees, Omahas, Ioways, Ottoes, Kaskaskias, Peorias, Piankeshaws, Weas, and Appalachicolos.

Thousands of patents under treaties with Indians of those tribes have heretofore been issued, and cases are from time to time arising requiring the action of this office in conveying title.

By the seventh section of the second article of the treaty concluded September 30, 1854, with the Chippewas, it is declared "that each head of a family or single person over twenty-one years of age at the present time, of the mixed bloods belonging to the Chippewas of Lake Superior, shall be entitled to eighty acres of land, to be selected by them, under the direction of the President, and which shall be secured to them by patent in the usual form."

The Secretary of the Interior, on the 17th of September last, upon review of the question as to the admissibility on unsurveyed land of certain scrip which had been issued under said treaty, has rendered a decision declaring that, according to the terms of the treaty, selections are to be made under the direction of the President, but the selections cannot be effected until the surveys are made and plats officially returned; that such plats must be the basis of selection, and consequently locations on unsurveyed lands of Chippewa scrip are not legally admissible.

Accordingly, a general circular has been issued to give full effect to that decision.

The United States in the earliest period of our history adopted the principle recognised by the English colonies and Government, of extinguishing by purchase the possessory right of the Indians. That policy was disclosed in the proclamation of October 7, 1763, by the King of Great Britain, which declared that no private person should make any purchase from the Indians of any lands reserved to them within those parts of the colonies where settlement was allowed, but that "if at any time any of the said Indians should be inclined to dispose of the said lands, the same shall be purchased only for the Crown."

Our relations in regard to the Indian possessory privilege are fully declared in the case of *Johnson vs. McIntosh*, 8th Wheaton, in which it is maintained that the United States hold the legal title, with the absolute right to extinguish the Indian claim to occupancy.

The principles thus recognised have obtained to the present date, and under their operation the process of extinguishing the aboriginal title has been pursued so as to meet the demands of advancing settlements, and as the Indian passes away before the onward wave of civilization, it is the province of the surveying department to extend the lines of the public

surveys; and further, when by treaty or otherwise it is found necessary to mark out portions of territory for the concentration of Indian bands or tribes, or otherwise for Indian uses, the 7th section of the act of 8th April, 1864, requires that the "surveys shall be under the direction and control of the General Land Office, and as nearly as may be in conformity to the rules and regulations under which other public lands are surveyed," a power which has been exercised in accordance with the expressed requirements of the Indian Office and under departmental orders.

#### FOREIGN TITLES.

The United States, in the enlargement of national territory, have assumed obligations under the public law, and by treaties, to recognise all titles which had lawful inception prior to the transfer of sovereignty and soil.

A primary and important duty required the separation of private from the public property. "The people change their sovereign. Their right to property remains unaffected." 9 Peters, page 133.

Therefore Congress have established boards of commissioners, opened the United States Courts for the adjudication of foreign titles, and in numerous cases have awarded confirmation by special legislation.

These titles are in minute parcels in the form of lots, in Spanish towns, in rural claims of inconsiderable extent, rising to grants of over a million of acres, which is the case in the Forbes title in Florida, that grant being larger than the State of Delaware, and nearly twice the size of Rhode Island.

The early routes of conquest and civilization may be traced in the old settlements from the St. Lawrence to the Gulf of Mexico, diverging east and west of the Mississippi.

The titles we have dealt with are French, Spanish, British, and Mexican, depending for validity on the colonial laws of European sovereignties, or of Mexico. In some very few instances they were direct from the Crown, although usually made through the instrumentality of the governors general, intendants, sub-delegates, and military commandants.

The property which it is thus incumbent upon us to protect embraces every species of right, inceptive to complete, including "those rights which lie in contact—those which are executory, as well as those which are executed." 4th Peters, page 511.

There is no one branch of jurisprudence where greater research and extent of legal erudition have been displayed by the judicial tribunals than in the determination of the intricate questions which in this connection have arisen, been discussed and judicially determined.

Upon final confirmation it is necessary to have these titles traced out and fixed, by survey and re-survey, on the earth's surface, according to the peculiarities of the ultramarine or other system of the Government from which they originated, whether in claims of English measure, or according to the perch of Paris, or the Spanish lineal arpen, or the "sitios" of California, ordinarily called leagues, and yet differing from the Spanish league of 7,056 arpens—6,002  $\frac{1}{8}$   $\frac{3}{4}$  acres, in the proportion which that number of acres bears to the "sitio de ganado mayor," the ordinary California ranch, embracing the quantity of 4,438  $\frac{6}{8}$   $\frac{3}{4}$  acres. These foreign titles are necessarily interlocked with the public surveys. The limited



number yet to be passed upon should be brought summarily to final decision as suggested in regard to New Mexico and Arizona, so that the public property everywhere may be cleared of shadowy or groundless titles, and the national obligations met upon the basis of equity.

This has been the policy of our Government, which has hitherto done so in good faith upon the acquisition of new territory, and that, too, in a spirit of enlarged liberality. The confirmations have been followed by surveys in thousands of instances, and by complete patents from the United States in favor of the original grantees or their legal representatives.

These proceedings have generally relieved the public land from such antagonistical claims, thereby enabling the Government to dispose of the soil without hazard of conflict, and hence the assurance in the public mind as to the absolute reliability of United States titles. With such assurance settlers and other purchasers will progressively advance upon the unsold soil, in which the Territories *alone* (yet to be organized into States) comprise a surface large enough to make ninety-seven States, each the size of Maryland, exclusive of the "Indian country," which covers 68,991 square miles, or 44,114,240 acres. Then, too, notwithstanding the past immense disposal by sales and otherwise, there yet remain undisposed of in these Territories, and unsold in the land States, acres enough to accommodate over five hundred and thirty-nine million three hundred and eighty-eight thousand inhabitants, according to the number of persons to a square mile in England and Wales, and that, too, in a country, according to a recent British writer, which is a "boundless mine of wealth," its "resources inexhaustible," with "climate varied and delightful."

*Historical and Statistical Table of the United States of North America.*

NOTE.—[The whole area of the United States, including water surface of lakes and rivers, is equal to three and a quarter millions square miles.

The thirteen original States.		Area in sq. miles.	Population— 1860.*
New Hampshire.....		9,380	286,078
Massachusetts.....		7,800	1,321,066
Rhode Island.....		1,806	174,690
Connecticut.....		4,750	460,147
New York.....		47,000	3,080,735
New Jersey.....		8,380	672,035
Pennsylvania.....		46,000	2,906,115
Delaware.....		2,190	112,316
Maryland.....		11,134	687,049
Virginia, East and West.....		61,353	1,596,318
North Carolina.....		50,704	992,622
South Carolina.....		34,000	703,708
Georgia.....		58,000	1,057,368

States admitted.....	Act organizing Territory.	United States Statutes. vol. page.	Act admitting State.	United States Statutes. vol. page.	†Area in sq. miles.	Popu- lation— 1860.*
Kentucky.....	.....	.....	Feb. 4, 1791	1 189	37,680	1,155,684
Vermont.....	.....	.....	Feb. 18, 1791	1 191	*10,312	815,088
Tennessee.....	.....	.....	June 1, 1796	1 491	45,600	1,109,801
Ohio.....	Ord'ce of 1787	.....	April 30, 1802	2 173	39,964	2,332,809
Louisiana.....	Mar. 3, 1805	2 831	April 2, 1812	2 701	*41,346	708,003

\* The total population of the United States in 1860 may be set down, in round numbers, at thirty-one and a half millions. In 1865 it is estimated that the population was thirty-five and a half millions, including the inhabitants of the Territories, estimated at 360,000 persons on January 1, 1865. In 1870, according to existing ratios, the population of this country will be over forty-two and a quarter millions.

† The areas of those States marked with a star are derived from geographical authorities, the public surveys not having been completely extended over them.

States admitted.	Act organizing Territory.	United States Statutes. vol. page.	Act admitting State.	United States Statutes. vol. page.	Area in sq. miles.	Population 1860.*
Indiana.....	May 7, 1800	2 55	Dec. 11, 1816	2 290	33,800	1,350,428
Mississippi.....	April 7, 1798	1 549	Dec. 10, 1817	3 473	47,156	791,303
Illinois.....	Feb. 8, 1809	2 514	Dec. 8, 1818	3 536	*55,410	1 711,951
Alabama.....	Mar. 3, 1817	3 371	Dec. 14, 1819	3 608	50,723	964,301
Maine.....	.....	.....	Mar. 3, 1820	3 544	*35,000	628,279
Missouri.....	June 4, 1812	2 743	Mar. 2, 1821	3 645	*65,350	1,182,012
Arkansas.....	Mar. 9, 1819	3 493	June 15, 1836	5 50	52,198	435,460
Michigan.....	Jan. 11, 1805	2 309	Jan. 26, 1837	5 144	*56,451	749,113
Florida.....	Mar. 30, 1822	3 654	Mar. 3, 1845	5 743	59,268	140,425
Iowa.....	June 12, 1838	5 235	Do.	5 742	55,045	674,948
Texas.....	.....	.....	Dec. 29, 1845	9 108	*214,356	604,275
Wisconsin.....	April 20, 1836	5 10	Mar. 3, 1847	9 173	53,994	775,581
California.....	.....	.....	Sept. 9, 1850	9 452	*188,981	305,439
Minnesota.....	Mar. 3, 1849	9 408	Feb. 26, 1857	11 166	33,531	173,553
Oregon.....	Aug. 14, 1848	9 323	Feb. 14, 1859	11 383	95,374	52,455
Kansas.....	May 30, 1854	10 277	Jan. 29, 1861	12 136	81,318	107,206
West Virginia.....	.....	.....	Dec. 31, 1863	12 633	23,000	.....
Nevada.....	Mar. 2, 1861	12 209	Mar. 31, 1864	13 30	*81,539	56,657
Colorado.....	Feb. 23, 1861	12 172	....	13 33	*104,500	110,507
Nebraska.....	May 30, 1854	10 277	....	13 47	75,395	12,361

Territories.	Acts organizing Territories.	United States Statutes. vol. page.	Area in square miles.	Population.*
New Mexico.....	Sept. 9, 1850	9 446	131,301	The estimated population of these Territories on January 1, 1865, as above indicated, was 360,000.
Utah.....	Do.	9 453	*106,333	
Washington.....	March 2, 1853	10 172	69,994	
Dakota.....	March 2, 1861	12 239	240,597	
Arizona.....	Feb. 24, 1863	12 664	*126,141	
Idaho.....	March 3, 1863	12 303	90,923	
Montana.....	May 26, 1864	13 85	143,776	
Indian Territory.....	.....	.....	68,991	10 miles sq.
District of Columbia.....	July 16, 1790	1 130	.....	
.....	March 3, 1791	1 214	.....	

\* The total population of the United States in 1860 may be set down, in round numbers, at thirty-one and a half millions. In 1865 it is estimated that the population was thirty-five and a half millions, including the inhabitants of the Territories, estimated at 360,000 persons on January 1, 1865. In 1870, according to existing ratios, the population of this country will be over forty-two and a quarter millions.

† The areas of those States marked with a star are derived from geographical authorities, the public surveys not having been completely extended over them.

‡ The present area of Nevada is 81,539 square miles. Should the portion of Utah be detached and also that of Arizona, as above suggested, there will be added 30,550 square miles, thereby making the area of Nevada 112,087 square miles.

§ White persons.

¶ Indians.

¶ The present area of Utah is 106,333 square miles. By act of Congress of May 5, 1866, this area is liable to be lessened by detaching a portion on the west side of Utah to the extent of one degree of longitude, equal to 18,335 square miles, to be added to Nevada, on the latter consenting by act of Legislature. Should such act be passed, the area of Utah will be 88,037 square miles.

\*\* By said act of May 5, 1866, Arizona, which now contains 126,141 square miles, is proposed to be reduced, by detaching from the northwestern part a tract equal to 12,225 square miles, to be added to Nevada, the Legislature of that State consenting. The effect, in that event, will be to reduce the area of Arizona to 113,916 square miles.

NEVADA.—Enabling act approved March 21, 1864; Statutes, volume 13, page 30. Duly admitted into the Union. President's proclamation, No. 22, dated October 31, 1864; Statutes volume 13, page 749.

COLORADO.—Enabling act approved March 21, 1854; Statutes, volume 13, page 32. Not yet admitted.

NEBRASKA.—Enabling act approved April 19, 1854; Statutes, volume 13, page 47. Not yet admitted.

That portion of the District of Columbia south of the Potomac river was retroceded to gnia July 9, 1846; Statutes, volume 9, page 35.

*Tabular statement showing the number of acres of public lands surveyed in the following land States and Territories up to June 30, 1865, during the last fiscal year, and the total of the public lands surveyed up to June 30, 1866, and also the total area of the public domain remaining unsurveyed within the same.*

Land States and Territories.	Number of acres of public lands surveyed up to June 30, 1866.	Number of acres of public lands surveyed during fiscal year ending June 30, 1866, but not included in last year's report.	Number of acres of public lands surveyed within the fiscal year ending June 30, 1866.	Total of the public lands surveyed up to June 30, 1866.	Total area of the public lands remaining unsurveyed, including private claims surveyed and not reported, up to June 30, 1866.	Area of the land States and Territories.	
						In acres.	In square miles.
Wisconsin.....	33,375,333	356,888	779,129	34,511,350	.....	34,511,350	53,994
Iowa.....	35,338,800	.....	.....	35,338,800	.....	35,338,800	55,045
Minnesota.....	21,454,809	81,323	509,743	22,045,877	21,413,973	52,459,840	83,531
Kansas.....	14,762,521	231,073	1,178,123	16,171,717	35,371,744	52,043,530	81,313
Nebraska Territory..	13,170,301	.....	390,881	13,561,183	35,075,668	48,636,800	75,986
California.....	27,008,217	194,716	477,653	27,680,585	28,267,135	120,947,840	183,931
Nevada*.....	4,451,407	57,809	218,908	733,119	51,456,841	52,184,960	81,539
Oregon.....	5,443,966	279,365	1,955	5,720,136	55,945,174	60,975,360	95,374
Washington Territory	3,333,909	15,699	181,074	3,530,645	41,365,515	44,766,160	69,994
Colorado Territory...	1,197,321	10,421	414,509	1,623,251	55,257,749	66,890,000	104,500
Utah Territory†.....	2,435,239	.....	.....	2,435,239	65,659,341	68,064,490	106,823
Arizona Territory...	.....	.....	.....	.....	80,730,340	80,730,340	126,141
New Mexico Territory	2,393,143	.....	.....	2,393,143	75,275,498	77,568,640	121,301
Dakota Territory.....	1,744,881	.....	115,108	1,859,989	153,132,091	153,983,080	240,597
Idaho Territory.....	.....	.....	.....	.....	53,193,480	53,193,480	90,323
Montana Territory...	.....	.....	.....	.....	92,016,640	92,016,640	143,778
Missouri.....	41,894,000	.....	.....	41,894,000	.....	41,994,000	65,350
Alabama.....	32,462,080	.....	.....	32,462,080	.....	32,462,080	50,723
Mississippi.....	30,179,840	.....	.....	30,179,840	.....	30,179,840	47,156
Louisiana.....	22,461,440	.....	.....	22,461,440	3,000,000	25,461,440	41,346
Arkansas.....	33,406,730	.....	.....	33,406,730	.....	33,406,730	52,198
Florida.....	26,631,530	.....	.....	26,631,530	11,300,000	37,931,530	59,368
Ohio.....	25,576,960	.....	.....	25,576,960	.....	25,576,960	39,934
Indiana.....	21,637,760	.....	.....	21,637,760	.....	21,637,760	33,809
Michigan.....	36,123,640	.....	.....	36,123,640	.....	36,123,640	56,451
Illinois.....	35,462,400	.....	.....	35,462,400	.....	35,462,400	55,410
Indiana Territory.....	.....	.....	.....	.....	44,154,340	44,154,340	68,991
Total.....	468,666,353	1,227,262	4,267,087	474,160,551	991,308,249	1,465,468,800	2,339,795

\* The State of Nevada was enlarged by adding one degree of longitude—detached from the west part of Utah—11,728,845 acres; also by the addition of that portion of Arizona lying between the 37th degree of north latitude and Colorado river on the south, and the 37th degree of longitude west, to the eastern boundary of California, amounting to 7,833,936 acres, which will increase the area of Nevada to 71,737,741 acres. This is, however, subject to the approval of the legislature of Nevada, of which this office has not been advised at the date of this report. Per act of May 8, 1866.

† A strip of one degree of longitude being taken from Utah on the west, for the purpose of adding to Nevada, equivalent to 11,728,845 acres, the area of Utah thus diminished will be 56,355,635 acres. Vacated Indian reservations in Utah (77,235 acres) were surveyed during the fiscal year ending June 30, 1866, but as this area forms part of that formerly surveyed as the public lands, and is included in 2,435,239, the area is not repeated.

‡ The area of Arizona being diminished by the cutting off the northwest corner and adding to Nevada, amounting to 7,833,936 acres, its area will be 73,906,304 acres.

GENERAL LAND OFFICE, October 2, 1866.

*Statement exhibiting land concessions by acts of Congress to States and Corporations for railroad and military wagon road purposes from the year 1850, to August 1, 1860.*

Date of laws.	Name of road.	—Mile limits—	No. of acres certified un- der the grants set the 30th June 30, 1860.	No. of acres certified for the 30th June 30, 1860.	Estimated quantities in mining under the grants.
Sept. 20, 1850	Illinois Central.....	6 and 15.....	2,595,053 00	00	2,595,053 00
.....do.....	Mobile and Chicago.....	6 and 15.....			
State of Mississippi.*					
Sept. 20, 1850	Mobile and Ohio River.....	6 and 15.....	737,180 29		1,004,640 00
Aug. 11, 1856	Southern railroad.....	6 and 15.....	171,550 00		404,900 00
.....do.....	Gulf and Ship Island RR.....	6 and 15.....			652,800 00
State of Alabama.*					
Sept. 20, 1850	Mobile and Ohio River.....	6 and 15.....	419,538 44		230,400 00
May 17, 1856	Alabama and Florida.....	6 and 15.....	394,552 99		419,520 00
.....do.....	Alabama and Tennessee.....	6 and 15.....	440,700 16		481,920 00
June 3, 1856	N'theastern & S'hwestern.....	6 and 15.....	389,535 58		691,840 00
.....do.....	Coosa and Tennessee.....	6 and 15.....	67,784 96		132,480 00
.....do.....	Will's Valley.....	6 and 15.....	171,920 51		206,080 00
.....do.....	Mobile and Girard.....	6 and 15.....	504,145 56		840,880 00
.....do.....	Coosa and Chattooga.....	6 and 15.....			150,000 00
.....do.....	Tenn. & Alabama Central.....	6 and 15.....			576,000 00
Aug. 11, 1856	No map filed.....	6 and 15.....			
State of Florida.*					
May 17, 1856	Florida railroad.....	6 and 15.....	231,984 17		442,542 14
.....do.....	Alabama and Florida.....	6 and 15.....	165,688 00		165,688 00
.....do.....	Pensacola and Georgia.....	6 and 15.....	1,275,212 93		1,563,729 87
.....do.....	Florida, Atlan. & Gulf Cen.....		37,583 29		123,153 99
State of Louisiana.*					
June 3, 1856	Vicksburg and Shrevep't.....	6 and 15.....	353,211 70		610,380 00
.....do.....	N.O., Opelousas & G't W'n.....	6 and 15.....	719,198 75		967,940 00
Aug. 11, 1856	No map filed.....				
State of Arkansas.					
Feb. 9, 1853	Memphis and Little Rock.....	6 and 15.....	137,238 51		438,646 89
July 23, 1856	Do. do. Addit'l.....	5			865,539 00
Feb. 9, 1853	Cairo and Fulton.....	6 and 15.....	1,115,406 41		1,100,067 40
July 23, 1856	Cairo and Fulton.....	Addit'l.....	5		966,729 00
Feb. 9, 1853	Little Rock and Ft. Smith.....	6 and 15.....	550,520 18		550,525 24
July 23, 1856	.....do.....	Addit'l.....	5		458,771 00
State of Missouri.					
June 10, 1853	Hannibal and St. Joseph.....	6 and 15.....	493,321 35		781,944 83
.....do.....	Pacific and S. west. Branch.....	6 and 15.....	1,158,073 54		1,161,335 07
Feb. 9, 1853	Cairo and Fulton.....	6 and 15.....	63,540 11		219,262 81
July 23, 1856	.....do.....	Addit'l.....	5		132,718 00
July 4, 1856	Iron Mountain (from Pilot Knob to Helena, Ark.).....	10 and 20.....			1,400,000 00
State of Iowa.					
May 15, 1856	Burlington & Missouri R.....	6 and 15.....	287,046 84		948,643 66
June 3, 1854	.....do.....	20			101,110 87
May 15, 1856	Mississippi and Missouri.....	6 and 15.....	431,774 86		1,144,904 90
June 3, 1854	.....do.....	20			116,278 70
May 15, 1856	Cedar Rapids & Mo. River.....	6 and 15.....	775,717 67		1,298,789 00
June 3, 1854	.....do.....	20			123,370 00
May 15, 1856	{ Dubuque & Sioux City }	6 and 15.....	1,226,163 89		1,226,163 05
June 3, 1854	{ Authorized change of route fr. Ft. Dodge to Sioux }				
May 12, 1854	McGregor and Western.....	10 and 20.....			1,536,000 00
.....do.....	Land granted to State for railroad from Sioux City to the south line of the State of Minnesota "at some point between the Big Sioux and West Fork of the Des Moines river."	10 and 20.....			256,000 00

\* Grants to Mississippi, Alabama, Florida, and Louisiana, under acts of May 17, June 3, and August 11, 1856, having expired, application will be made to Congress to extend the time for the completion of the railroads in said States.

Date of laws.	Name of road.	Mile limits	No. of acres certified un- der the gr'ts up to June 30, 1883.	No. of acres certified for the 1 <sup>st</sup> end- ing June 30, 1886.	Estimated quantities in ac- res under the grants.
State of Michigan.					
June 3, 1856	Port Huron and Milwaukee	6 and 15	6,468 68		312,394 32
.....do.....	Detroit and Milwaukee	6 and 15	30,998 75		355,430 19
.....do.....	Amboy, Lansing, and				
July 3, 1866	Traverse Bay	6 and 15	719,886 23		1,052,469 19
	Time extended 7 years..				
June 3, 1856	Flint and Pere Marquette..	6 and 15	511,425 90		586,823 73
.....do.....	Grand Rapids and Indiana	6 and 15	629,182 32		639,182 62
June 7, 1864	.....do..... from Ft. Wayne to Gd. Rapids, &c.)	20			531,200 00
June 3, 1856	Bay d'Noquet & Marquette	6 and 15	218,881 10		218,880 87
March 3, 1885	.....do.....do.....	300 sec's			123,000 00
June 3, 1856	Marquette and Ontonagon	6 and 15	218,919 19		309,315 24
March 3, 1845	.....do.....do.....	20		48,066 45	243,200 00
June 3, 1856	Chicago, St. Paul, & Fond du Lac (branch to On- tonagon)	6 and 15	174,090 41		208,062 59
.....do.....	Chicago, St. Paul, & Fond du Lac (branch to Mar- quette)	6 and 15	162,044 46		188,507 24
July 5, 1863	Peninsula, from Marquette to the mouth of the Me- nomonie river.	6 and 15			375,690 00
March 3, 1865	Peninsula railroad	20			188,900 00
State of Wisconsin.					
June 3, 1856	Tomah and Lake Superior (formerly La Crosse and Milwaukee)	6 and 15	324,943 38		894,907 81
May 5, 1864	Tomah and Lake Superior	10 and 20			675,000 00
June 3, 1856	St. Croix & Lake Superior	6 and 15	534,718 15		534,714 95
May 5, 1864	.....do.....do.....	10 and 20			350,000 00
June 3, 1856	Branch to Bayfield	6 and 15	313,740 30		313,737 74
May 5, 1864	.....do.....do.....	10 and 20			215,000 00
June 3, 1856	Chicago and N. western.	6 and 15	211,143 02		600,000 00
April 25, 1869	Change line of route				
May 5, 1864	From Portage City, Berlin, Doty's Island, or Fond du Lac in a northwestern direction to Bayfield and thence to Superior	10 and 20			1,900,000 00
State of Minnesota.					
March 3, 1857	St. Paul and Pacific	6 and 15	466,566 14		660,000 00
March 3, 1865	.....do.....do.....	10 and 20			500,000 00
March 3, 1857	Branch St. Paul & Pacific	6 and 15	438,075 38		750,000 00
March 3, 1865	.....do.....do.....	10 and 20			725,000 00
July 12, 1863	Author'd change of route				
March 3, 1857	Minnesota Central	6 and 15	174,074 81		353,402 09
March 3, 1865	.....do.....do.....	10 and 20			290,000 00
March 3, 1857	Winona and St. Peter	6 and 15	233,183 75		720,000 00
March 3, 1865	.....do.....do.....	10 and 20			690,000 00
March 3, 1857	Minnesota Valley	6 and 15	269,708 74		860,000 00
May 12, 1864	.....do.....do.....	10 and 20			150,000 00
May 5, 1864	L. Superior & Mississippi				
July 13, 1866	Authorized to make up deficiency within thirty miles of the west line of said road	10 and 20			800,000 00
July 4, 1866	From Houston, through the counties of Fillmore, Mower, Freeborne, and Faribault, to the western boundary of the state	5 and 20			735,000 00
.....do.....	From Hastings, through the counties of Dakota, Scott, Cower, and Mc- Leod, to the western boundary of the state	5 and 20			550,000 00
State of Kansas.					
March 3, 1863	Provides for two roads and two branches (no map filed)	10 and 20			2,500,000 00
July 23, 1866	St. Joseph and Denver City	10 and 20			1,700,000 00
July 25, 1869	Kansas and Neosho Valley	10 and 20			2,350,000 00

Date of laws.	Name of road.	Mile limits	No. of acres certified un- der the gr'ts up to June 30, 1865.	No. of acres certified for the y'r end- ing June 30, 1866.	Estima ted quantities inuring under the grants.
State of California.					
July 25, 1866	California and Oregon	10 and 20			3,200,000 00
July 13, 1866	Placerville and Sacramento Valley	10			200,000 00
CORPORATIONS.					
July 1, 1862	Union Pacific railroad, with branch from Oma- ha, Nebraska, from Missouri river to Pacif- ic ocean	10	}	45,510 54	35,000,000 00
July 2, 1864	Central Pacific to eastern boundary of California, thence to meet Union Pacific; act 1864, p. 363	20			
.....do.....	Northern Pacific railroad (from Superior to Puget Sound)	20 and 40			
May 7, 1866	Extends the time for commencing and com- pleting said road 2 yrs.				47,000,000 00
July 27, 1866	Atlantic and Pacific, from Springfield, Missouri, to the Pacific	10 and 20			17,000,000 00
WAGON ROADS.					
March 2, 1863	From Fort Wilkins, Cop- per Harbor, Michigan, to Fort Howard, Green Bay, Wisconsin	3 and 15			250,000 00
March 2, 1863	From Fort Wilkins, Cop- per Harbor, Michigan, to Fort Howard, Green Bay, Wisconsin	3 and 15			221,018 27
June 20, 1864	From Saginaw City, Mi- chigan, by the shortest and most feasible route to the straits of Macki- naw	6			1,497,600 00
.....do.....	From Grand Rapids, through Newaygo, Tra- verse City, and Little Traverse, to straits of Mackinaw				
July 2, 1864	From Eugene City, by way of Middle Fork of Willa- mette river, and the most feasible pass in the Cas- cade range of mountains, near Diamond Peak, to the eastern boundary of the state	3			768,000 00
July 4, 1866	From Corvallis to the Ac- quinna Bay	3			76,800 60
July 5, 1866	From Albany, by way of Canyon City, and the most feasible pass in the Cascade range, to the eastern boundary of the state	3			480,800 00

## RECAPITULATION.

States.	Estimated number of acres granted for wagon roads.	Number of acres certified under the grants.	Estimated number of acres granted.
Illinois.....	.....	2,595,053.00	2,595,053.00
Mississippi.....	.....	908,880.29	2,082,240.00
Alabama.....	.....	2,298,188.50	3,729,120.00
Florida.....	.....	1,760,468.39	2,360,114.00
Louisiana.....	.....	1,972,405.45	1,578,720.00
Arkansas.....	.....	1,798,167.19	3,940,271.63
Missouri.....	.....	1,815,435.00	3,745,160.31
Iowa.....	.....	2,770,702.26	6,751,207.98
Michigan.....	.....	2,718,413.49	5,237,930.99
Wisconsin.....	.....	1,379,545.35	5,373,260.50
Minnesota.....	.....	1,580,606.63	7,798,408.09
Kansas.....	.....	.....	6,550.00 .00
California.....	.....	.....	3,400,000.00
		20,682,617.65	55,201,581.40
Corporations—Pacific railroads.....	.....	45,510.54	99,360,000.00
Wagon roads—Wisconsin.....	250,000.00	.....	.....
Michigan.....	1,718,613.27	.....	.....
Oregon.....	1,305,600.00	.....	3,274,213.27
		3,274,213.27	20,729,128.19
			157,835,794.67

GENERAL LAND OFFICE, September 4, 1886.

## No. 14.—Statement exhibiting land concessions by acts of Congress to States for canal purposes from the year 1827 to August 1, 1866.

States.	Date of laws.	Statutes.	Page.	Name of canal.	Total no. of acres granted.
Indiana.....	Mar. 2, 1837	4	236	Wabash and Erie canal.....	1,439,379
	Feb. 27, 1841	5	414		
	Mar. 3, 1845	5	731		
Ohio.....	Mar. 2, 1837	4	236	Wabash and Erie canal.....	266,585
	June 20, 1834	4	716		
	May 24, 1838	4	305	Miami and Dayton canal.....	233,826
(5th sec.)	May 24, 1833	4	306	General canal purposes.....	500,000
Illinois.....	Mar. 2, 1837	4	234	Canal "to connect the waters of the Illinois river with those of Lake Michigan".....	290,915
Wisconsin.....	June 18, 1838	5	245	Milwaukee and Rock river canal.....	125,431
	April 10, 1866.....	.....	.....	Breakwater, harbor, and ship canal...	200,000
Michigan.....	Aug. 26, 1853	10	35	St. Mary's ship canal.....	750,000
	Mar. 3, 1865	13	519	Portage Lake and Lake Superior ship canal.....	200,000
	July 3, 1866 Printed laws, a. 92.....	.....	.....	do.....do.....do.....	200,000
	July 3, 1866 Printed laws, a. 91.....	.....	.....	Ship canal to connect the waters of Lake Superior with the lake known as Lac La Belle.....	100,000

## RECAPITULATION.

	Total quantity granted.
Indiana.....	1,439,379
Ohio.....	1,100,361
Illinois.....	290,915
Wisconsin.....	325,431
Michigan.....	1,250,000
Total.....	4,405,986

## THE THREE PER CENT. LEGAL TENDER CERTIFICATES.

In obedience to the law of 2d March last directing the issue of these securities to the amount of 50 millions for the redeeming of compound notes, Mr. McCulloch has published the requisite notice, and is now giving out the certificates in exchange for the October and December compounds, the aggregate of which will probably absorb the whole issue. It is very much to be regretted that the Secretary did not earlier announce this intention; for, perhaps, he might have diminished the shock which the money market suffered from the sudden locking up of 13 millions of greenbacks at a critical moment, in the New York Sub-Treasury! Nothing can more impressively illustrate the varying sensitiveness of the money market than the events of the past few days. The withdrawal of greenbacks and compounds during the month of August was heavy, but it failed to make the slightest ripple on the stagnant surface of the money market. A month later Mr. McCulloch acted as if he thought he could still with the same impunity withdraw greenbacks from the circulation. He ventured to lock up a few millions, but no one knows how many millions because the Treasury balance published daily puts together in one aggregate with the greenbacks on hand, national bank notes, compounds and even gold certificates, as well as redeemed Seven-Thirties. It is enough to know that large amounts of greenbacks were daily taken out of the circulation and stored away in the government vaults. In nine days the withdrawal was arrested, and the reverse process began, and seems to have continued with little interruption ever since. But it was too late. It was a critical time. The money market had received the shock, and the mischief was done. The Treasury balance has since been depleted from 133 millions to 107 millions, but to little purpose, so far as the movements of the loan market are concerned. For yesterday money was extremely active, and indeed by some persons was declared to be more stringent than at any previous time since the flurry set in.

The truth probably is that the worst of the pinch was over several days ago in the money market itself, but the resulting effects at the Stock Exchange are only partially developed. These effects are various. At first there was a general fall in the more mercurial securities, government bonds standing firm. The next phase was a reactionary rise in the former, while the latter fell, and are still falling, to the great injury of holders of Five-Twenties and other bonds throughout the country. Do we then suppose that the fall in Governments is due solely to the monetary pinch? By no means. There are other well-known causes at work, and the speculators are very busily exaggerating them. But those causes, we think, would not have had the depressing power they have—they would perhaps have had no such power at all—had not public confidence received that unhappy previous shock through the money market, which we regard as the chief bringer-on of the existing depression.

It has been rumored about that some of the speculative advisers who were most anxious that Mr. McCulloch should tighten the money market



towards the close of September, set before themselves as the end of their scheme a fall and a subsequent rise in gold. If this were so the object has been accomplished. Gold has been down to 142½, but has risen again above 145. These persons are also credited with the desire to put down railroad and government securities. Here also they have not failed. Railroad shares, before they "touched bottom" and rallied again, suffered some 6 or 8 per cent. depreciation, and government bonds, though previously so low in comparison of their intrinsic worth, are down 3 per cent., and appear to be going lower.

This fall in securities has, no doubt, given an impulse to speculation, has attracted money into the pockets of the money lenders, and has ripened a rich harvest for operators in stocks and in gold. But what real solid good has it conferred upon the country? Or, rather, who can measure the evil which so sharp a monetary spasm may not have done? We repeat now, as we said last week, that there is an entire absence of evidence that Mr. McCulloch had an idea that any such mischievous consequences were imminent. He had, it must be believed, no design or intention to produce such disasters. But if they have really been induced, and if they are the effects flowing directly from the causes specified, then it is of the gravest moment that the truth should be pointed out in so distinct and luminous a way, that a similar error may never be made again by Mr. McCulloch, or by any future Secretary of the Treasury, or by any other official having power to increase or diminish the currency, when the fall drain sets in from the West.

Now, with regard to the certificates. They will bear the uniform date of 15th October, and will be of the denomination of \$5,000 and \$10,000. Almost the only questions, however, which the public care to ask about these securities, are, will they give ease and steadiness to the money market? Will they undo the evil that has been caused? The most conflicting opinions prevail on these points. Almost all parties agree, however, that the certificates will afford temporary relief if they put an end to the feverish suspense and incertitude as to the action of the Treasury, which is at present regarded as the chief quieting force in operation. Besides this, however, the certificates will doubtless place the banks in an easier position by enlarging the amount of floating paper available for bank reserves. Of the 50 millions of October and December compounds which will be transmuted into certificates, a part only are held by the banks. The rest are in the hands of private individuals, and the aggregate, when exchanged, will pass into the banks and make these institutions more easy in point of reserve than they have been for some time. So confident are some persons of experience that this will be the way in which the certificates will work, that they predict the issue of 50 millions more as a consequence of the efficiency with which they will perform the functions for which they were authorized by Congress.

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## REFORMS IN THE NATIONAL BANKS.

The closing of the Croton National Bank of this city a few days since, and the troubles in some other institutions of equally small importance in various parts of the country have produced no prejudicial influence whatever outside of a very narrow circle. These events have rather a reassuring than a depressing effect. For they show that the Internal Banking Law is so vigorously administered that the weak members of the sisterhood of banks must be strengthened or they will be removed. Nor is there any prospect that this vigor will be relaxed. On the contrary, some further improvements in the law are demanded for the stability of our financial system, and for the safety of those great public interests with a view to which the banks exist and are endowed with their special privileges. Few real friends of the banks will object to such an improvement, for instance, as we contended for last week in the redemption of the National Bank notes in New York. We are glad to see that the newspapers are beginning to agitate this measure of reform, for which there is so urgent a pressure of public opinion that its enforcement is a mere question of time. Some well-informed men are so sanguine as to affirm that it will be adopted by Congress at the ensuing session. This opinion is ably advocated by the *Washington Intelligencer*, which on the 2d October, made upon the subject the following very pertinent observations:

"The projects before Congress last winter in reference to the modifications of the national Bank system entirely failed, and they will, no doubt, be revived at the coming session. The experience of the last few months has enjoined the necessity of some modification of the system. The recent prostration in the money market, the sudden rise of the rate of interest, and the fall in stocks may be ascribed in a great measure to the want of a uniform mode of reducing the national bank issues. Currency was abundant everywhere in the summer when it was not wanted; but in the fall, when wanted for moving the crops, and other business operations, it became scarce. The Comptroller of the Currency recommended to Congress, as a measure that would meet this and other difficulties appertaining to the present system, a plan for the redemption of national bank issues at some one or more central points. The Committee on Banking and Currency reported a bill for that purpose, which was not acted upon, and, meanwhile the banks in the interior manifested much opposition to it. It is now contended that such provision for redemption New York would give elasticity to the currency, rendering it abundant for all occasions when the activity of business should require it. Now it is abundant for speculation, at a low rate of interest, at seasons when it is not wanted for regular business. The inequitable distribution of the national bank currency is another source of evil and has given rise to much complaint in the South and West. The opposition to the banking system has been manifested in some quarters upon this ground alone, and strong combinations will at some time be made against it, unless the defect be remedied. Several remedies were proposed in the last Congress, but not adopted. An increase of the currency for the purpose of effecting a more equitable distribution was recommended on one hand, and another proposition was made to scale the shares allowed to the North and East and distribute this excess in the South and West."

Those who are opposed to reforms in our banking law urge that it is unsafe to confer so much financial power as the National Bank Act places in the hands of certain officials of the Government. This argument might be valid if no such institutions as our 1,600 National banks

The returns by counties stood at date as follows :

	Bristol.	Kent.	Newport.	Providence.	Wash'ton.	State.
Land: plowed.....	2,168	5,542	7,840	12,804	9,932	37,786
" mowing.....	2,563	14,120	14,818	41,896	26,851	101,248
" pasturing.....	4,275	23,451	20,626	49,636	54,469	152,457
" unimproved.....	2,285	39,444	9,532	91,977	54,801	201,090
Total acreage.....	12,292	82,557	52,861	198,813	146,053	492,576
Cash value—farms.....	\$1,807,130	\$2,509,855	\$5,436,087	\$10,931,701	\$3,944,469	\$24,389,242
" stock.....	122,155	815,667	580,853	1,047,151	600,662	2,666,488
" implements.....	48,803	90,477	113,736	339,954	124,167	717,127

The following table compares the aggregate returns of the State census, 1865, with the U. S. census of 1860 and 1850 :

	1865.	1860.	1850.
Land—improved.....acres.	291,436	335,128	356,427
" unimproved.....	201,090	186,096	197,451
Total average reported.....	492,576	521,224	553,878
Cash value of farms.....	\$24,389,242	\$19,550,553	\$17,070,802
" of live stock.....	2,666,488	2,042,044	1,523,637
" of tools and implements.....	717,127	566,791	497,201
" of farms, stock, tools, &c.....	\$27,772,857	22,179,388	19,100,640
Farms of 3 acres and over.....No.	6,780	5,364	No return.
Farmers.....	10,764	10,365	8,398

A slight examination of these figures will be sufficient to show that the agricultural interests of Rhode Island comprise no unimportant portion of the industrial pursuits of the State. An industry which has \$27,772,857 invested in farms and stock, and which employs 10,764 persons, is certainly not an insignificant showing for a State of little more than 1,000 square miles of territory.

The following is a statement of the live stock owned in the State and of the products thereof, according to the State census returns of 1865 and the federal returns of 1860 :

Stock.	1860.	1865.	Products.	1860.	1865.
Horses.....Number.	7,121	11,133	Milk sold.....gals.	1,297,753	2,223,272
Asses and mules.....	10	71	Butter.....lbs.	1,021,767	867,466
Milch cows.....	19,700	17,518	Cheese.....	181,511	136,130
Working oxen.....	7,857	6,133	Cattle sold or killed.....	\$711,723	\$758,463
Other cattle.....	11,548	8,143	Wool.....lbs.	90,899	114,781
Sheep.....	82,634	40,717	Eggs and poultry.....	\$178,416	311,794
Swine.....	17,478	16,269			
Poultry.....	\$69,642	\$129,187			

The cereal and other food crops for the same two census years aggregate as follows :

	1860.	1865.		1860.	1865.
Wheat.....bush.	1,131	753	Irish potatoes.....bush.	542,909	710,637
Rye.....	23,269	29,161	Sweet potatoes.....	946	224
Indian corn.....	461,497	466,633	Hay.....tons.	82,722	75,894
Oats.....	244,453	175,944	Clover seed.....pounds.	1,321	4,713
Barley.....	40,993	46,500	Other grass seed.....bush.	4,237	2,404
Buckwheat.....	3,573	2,369	Wine.....gals.	507	3,401
Value of orchard products.....	\$33,681	\$143,535			
Value of market garden products.....	140,391	341,831			

Also, in 1865, tobacco, 33,548 lbs.; honey, 14,834 lbs.; hops, 679 lbs.; flax, 245 lbs.; peat dug, 9,522 cords; manures bought, \$111,219.

The census of 1865 states in detail the principal products of market gardens, viz., onions, 152,603 bushels; carrots, 99,020 bushels; beets, 25,600 bushels; turnips, 202,480 bushels; green peas, 14,077 bushels; string beans, 7,631 bushels; garden seed, \$12,917; strawberries, 66,942 quarts; &c.

The tables of agricultural statistics show the average yield per acre in Rhode Island and Iowa (for 1865) of the crops named below:

	Acres planted.	Rhode Island Products.	Aver. per acre.	Aver. per acre in Iowa.
Hay.....	101,943	75,894 tons.	0.75 ton.	0.84 ton.
Wheat, { Spring.....	53	753 bush.	14.2 bush	8.6 bush.
Wheat, { Winter.....				
Rye.....	2,634	20,161 "	11.1 "	13.5 "
Corn.....	18,518	466,633 "	26.2 "	28.0 "
Oats.....	6,808	175,944 "	27.9 "	27.5 "
Potatoes.....	7,602	710,627 "	93.4 "	67.9 "

The tables of agricultural statistics of the census of Rhode Island in 1865 contain many items which it would be interesting to examine, and the examination of which would be of utility to the interests of agriculture in the State. But the full investigation of the subject would require too much space, and besides, it would be better done by those whose familiarity with the subject renders them better qualified to do it justice. We commend the study of the tables to such practical minds.

### III. FISHERIES AND SHORE CENSUS.

The statistics supplied under this heading are a novelty in census returns in this country. Though of great importance in some States no account of them has been obtained by the national census. Their importance in Rhode Island induced the "R. I. Society for the Encouragement of Domestic Industry" to make an attempt in 1860 to obtain some returns relating to them. The results were presented in a report to the Legislature in 1861, and from this we make the following extracts:—

"While the continental shore-line of Rhode Island is only 45 miles, it has 320 miles of shore washed by the ebbing and flowing tides. Five out of the thirty-two towns that compose the State are situated on islands. The bays embraced within the State abound with fish, many kinds of which are fitted for food, while others are only used for the manufacture of fish-oil and for manures. The shores and shoals of these bays and of the extensive salt-ponds near the southern coast abound with shell-fish. Besides this, every ebbing tide leaves on almost every portion of these shores a rich and valuable deposit of sea-weed and drift.

"The annual value of the product of these salt waters has never been ascertained. The committee deemed it worth an attempt to procure it. These products are of great value and importance. They are secured at an outlay of time and labor, very small compared with their value. Many families derive a large part of their support from them. The amount of fish exported for food is very large, while other varieties are exported in larger quantities for manure or to be manufactured into special manures, which are returned to the State under long and learned names, as special fertilizers.

"To ascertain the value and amount of the various products of these salt waters, the committee instituted inquiries. \* \* \* \* \* They regret to report that the returns made are not so full, nor, as they believe, so accurate as they desired. Some of the assistant marshals construed the queries to extend only to the quantities taken and sold. Others have almost entirely omitted all returns on the subject. The committee, however, are satisfied that they have commenced the enquiry. They did not expect full and accurate returns, but they have obtained enough to show the great importance of the enquiry and thereby to secure future attention to it."

The plans and purposes of the committee in 1860 were adopted with some modifications and additions in the census of 1865. The results obtained in the latter year, though incomplete, are fuller than the original returns. These statistics must, from the nature of the case, depend to some extent upon estimates. For example, the clamps or clams on the shores are free to all the inhabitants of the State who choose to dig them. Persons come to the shores from all quarters, and often from distances of several miles, and dig as many clams as they choose, to eat or to carry home. Nothing can be exactly known of the quantities thus removed. The only estimates which could be made were from the opinions of the owners of shore farms. Much care and caution were used in obtaining the estimates, and it was the general opinion of the marshals that the quantities stated were less than the truth.

The following statement shows the results of the enquiries in 1865 as compared with those made in 1860:

	1865.	1860.		1865.	1860.
Salt marsh.....acres.	3,531	1,379	Fish caught for food.100 lbs.	24,624	not stat'd
" hay.....tons.	2,116	1,540	Value of same.....	\$121,094	24,167
" " value.....	\$18,545	12,330	Clams dug.....bush.	31,697	not stat'd
Sea drift.....cords.	34,146	34,927	Quahogs.....	9,341	"
" " value.....	\$38,068	37,604	Scallops.....	9,653	"
Fish seized for manure and			Oysters.....	72,895	"
oil.....bbls.	154,468	118,611	Lobsters.....lbs.	42,900	"
Value of same.....	\$126,035	27,317	Value of all shell fish.....	\$118,655	\$11,692
Total value of fisheries, &c., as above.....				\$422,412	\$113,620

These statistics, though imperfect, are sufficient to show that the fisheries and shore products in Rhode Island are of considerable importance, and deserve the attention and care of the State. That they might be increased in quantity and value is certain, and in a short time become the basis of industry little if at all inferior to the agricultural interest. The bays and arms of the sea, and the nature of the coast generally, are favorable to the artificial production both of fish and shell-fish.

#### IV. CENSUS OF MANUFACTURES.

The total value of manufactures for the year ending June 1, 1865, was \$103,106,395, which was equal to \$557 for each inhabitant of the State. The capital invested in manufactures at that date amounted to \$32,646,803, equal to \$176 for each inhabitant.

The following shows the results of the State census of 1865 as compared with those of the United States census taken in 1860 :

	U. S. Census.	State Census.	Increase.
Capital invested.....	\$34,378,295	\$32,646,603	\$3,868,308
Value of materials used.....	19,858,515	63,861,552	44,003,037
" of products for year.....	40,711,393	103,106,395	62,395,097
Manufactures.....No	1,191	1,459	268
Hands employed.....	32,490	36,993	4,503

The enormous increase in the value of raw materials used in 1865, and in the total value of the products of the same year, is partly owing more to the great advance in prices than increase in quantity as between 1860 and 1865.

The following table, taken from the alphabetical list of products for 1865, gives certain details in relation to capital, cost, &c. :

	—Establishments—		Capital invested.	Value of materials.	Value of products.
	No.	Hands.			
Cotton manufactures.....	142	16,049	\$15,716,900	\$39,574,082	\$55,478,510
Iron.....	183	6,263	5,182,865	4,494,397	9,650,593
Woolen.....	88	6,596	£,293,100	10,788,567	21,172,151
	407	28,907	\$2,122,865	\$4,857,046	\$6,801,223
All other manufactures.....	1,052	8,086	6,513,738	9,004,506	16,935,173
Aggregate.....	1,459	36,993	\$2,646,603	\$3,861,552	\$10,106,395

From this table it appears that of the \$32,646,603 invested in manufactures in 1865 no less than \$26,132,865 were invested in the three leading interests; of the sum of \$63,861,552 paid for raw materials, \$54,857,046 were paid by the same, and of the value of products, viz., \$103,106,395; the value of cotton, woolen, and iron goods produced was \$66,801,223. The particulars of these interests in 1860 and 1865 are thus given in the Rhode Island census report for 1865 :

	Cotton		Wool		Iron	
	1860.	1865.	1860.	1865.	1860.	1865.
Establishments.....	170	142	59	88	134	183
Hands.....	16,900	16,049	4,229	6,596	3,943	6,263
Capital invested.....	\$11,967,500	\$15,716,900	\$3,176,000	\$5,293,100	\$3,630,900	\$5,182,865
Value of materials.....	6,590,035	39,574,082	4,077,914	10,788,567	1,769,377	4,494,397
" of products.....	15,168,681	55,478,510	6,929,305	21,172,151	4,690,115	9,650,593
Cotton used, lbs.....	41,614,797	28,969,636	3,056,300	1,467,513	.....	.....
Wool used, lbs.....	.....	.....	6,832,600	12,848,238	.....	.....
Cloth made, yards.....	147,652,300	104,865,973	19,342,600	14,635,477	.....	.....

These comparisons show that in cotton manufactures there was an enormous increase between 1860 and 1865 in the value of materials used and also in the value of products, though there was a large decrease in the quantity of both material and product. In the woolen and iron manufactures there was a great increase both in the quantity and value of the materials used and of the goods produced.

The table which follows is given to show the distribution of the total manufacturing interest to the several counties in 1860 and 1865 :

Counties.	Establish-ments.	Hands employ'd.	Capital invest'd.	Cost of materials.	Value of products.
Bristol.....	1860 62 1865 69	976 1,300	\$334,650 1,053,980	\$1,621,930 2,379,091	\$2,622,092 3,122,693
Kent.....	1860 73 1865 111	8,779 4,731	2,766,780 3,803,675	1,607,193 6,900,418	3,601,141 10,250,052
Newport.....	1860 85 1865 129	1,234 997	799,100 890,500	543,193 777,430	1,213,635 1,676,519
Providence.....	1860 824 1865 1,083	22,767 27,143	17,961,935 25,021,085	18,655,956 46,155,374	29,211,473 73,533,125
Washington.....	1860 77 1865 112	2,743 2,633	1,925,300 2,370,350	2,965,323 5,645,539	3,992,960 9,510,006
State..	1860 1,191 1865 1,459	32,490 36,993	\$34,378,295 \$2,646,603	\$19,858,515 63,861,552	\$40,711,393 103,106,395

The following list comprises the greater portion of the products of manufactures in Rhode Island, as reported by the census of 1865 for the year ending on the 1st June of that year:

Ale & lager beer, bbls.	4,250	Cott'n cloth pr'ted, yds	95,814,863	Paper cap tubes, lbs...	22,500
Ambrotypes, &c.....	57,500	" bleached & dyed		" Planes .....	200
Articles of jewelry, gr	50	yards .....	30,867,518	Photographs.....	16,800
Artificial teeth sets..	2,310	" yarns & twine, lbs	2,725,950	Picture frames.....	4,600
Assortments of hard-		" warps, yards ...	3,875,000	Printing presses.....	346
ware.....doz.	60	" shoe and corset		Pyroligneous acid, gals.	95,000
Awailings.....	150	lacings, gross ..	600,000	Rifles and muskets ..	81,000
Axes.....	200	Corsets.....	600	Refined iron, tons ..	5,000
Bags.....	20,200	Cut nails, casks ..	80,000	Hear sights for musk's	60,000
Balmoral skirts.....	30,000	Dresses.....	8,780	Sabers .....	13,500
Barrels and casks.....	85,850	Dyewoods ground, ton	500	Salt, ground, bushels.	10,000
Baskets.....	2,660	Envelops .....	500,000	Screw machines.....	105
Block alphabets, sets	300	Files.....	540,008	Scythes.....	118,000
Blankets.....	159,144	Fire engines .....	8	Sewing machines.....	10,000
Bobbins & spools, grs	433,161	Flax picking, lbs ..	184	Shoddy, lbs.....	134,000
Book clasps.....	126,600	Grain ground, bush.	624,400	Spermaceti, lbs.....	20,000
Boards.....feet	4,912,742	Gravest's & monum'ts	5,316	Steam boilers.....	167
Boots & shoes, pairs.	272,423	Guano, tons .....	2,825	" engines .....	144
Bricks.....	12,100,000	Haircloth, yards.....	1,271,500	Snaths.....	1,000
Boxes.....	197,500	Hand rakes.....	3,000	Sashes, blinds & d'rs.	8,130
Brushes.....	14,000	Horse rakes .....	200	Shawls .....	43,359
Bonnets.....	13,665	Handles for cutlery gro	150	Sheep skins.....	64,400
Boats and ships .....	261	Harness.....	1,187	Shingles.....	2,636,000
Butt hinges.....dozen	277,698	Hats & Caps.....	6,000	Staves.....	2,269,008
Buttons.....gross.	7,000	Hemp rope, tons.....	11	Soap, lbs.....	5,515,440
Calf skins.....	5,100	Hoop skirts.....	39,750	Soft soap, bbls .....	2,358
Candles, lbs.....	106,000	Hoop skirt braid, lbs.	83,200	Spirits.....	6,000
Candy, lbs.....	118,000	Harness hames, pairs.	2,500	Stoves.....	5,370
Cards, cut.....	1,507,790	Horse shoes.....	3,026,000	Sugar, refined, lbs.....	4,984,008
Cartes de visite.....	222,500	Horse shoe nails, lbs.	407,100	Syrup & molasses, bbls	13,710
Cartridges.....	15,000,000	Illuminating gas, c. f.	91,222,000	Short & kindl'g w'd, c	12,280
Chain cable, tons.....	1,000	Iron castings, tons.....	710	Straw hats.....	14,000
Charcoal, bushels.....	580,800	Iron sinks.....	4,000	Toys, sets .....	1,200
Cloaks and mantillas.	4,000	Lacing leather, doz.	250	" gross.....	4,000
Cigars.....	8,844,970	Leather belting, feet.	263,132	Tobacco pipes, gross..	12
Coal tar, bbls.....	3,222	Leather, sides.....	29,650	Trunks.....	2,600
Coke, bushels.....	321,900	Loom pickers, dozen.	21,949	Valises and bags.....	32,400
Coal mined, tons.....	11,538	Lumber planed, feet ..	1,050,000	Vests.....	35,533
Coffins.....	2,705	Lime, casks.....	29,487	Wire rod, tons.....	1,000
Coffin trimmings, gro	23,300	Linen lines, dozen ..	662	Wood screws, gross ..	3,652,748
Coats.....	14,314	Marble tops & mantl's	1,075	Woolen cloth, yards..	14,635,477
Carv. knives.....	8,400	Marine engines.....	14	" hoods, dozen.....	15,000
Cotton cloth, yards.	104,865,978	Mattresses.....	1,500	" hos'ry, p'rs, dz ..	10,000
" thread, spools, dz	1,565,000	Market hands, sets ..	15,000	Wool carded, lbs.....	7,100
" spooled, sp .....	720,000	Newspapers printed..	5,410,000	Weav'r's harnesses, s'ts	16,780
" rope, lbs.....	260	Nail kegs.....	40,563	" reeds.....	7,200
" lines, doz.....	13,500	Oil, gallons.....	226,976	Wine, gallons.....	2,400
" tapes, yards.....	2,380,400	Pails and buckets.....	1,300	Wash'g & wring'g ma	1,644
" braid, balls, doz	200,000	Pants.....	87,094	Water elevators.....	500
" wicking, lbs.....	188,880	Paper boxes.....	467,711	Worsted braid, &c, yds	9,747,000
" gross.....	160,000	Plows & cultivators...	565	Woolen yarn, lbs.....	1,047,000

The preceding list is by no means complete for all the articles manufactured in the State. In some establishments a great variety of articles is made, and while it is comparatively easy to obtain the total value of the products, it is difficult and sometimes impossible to obtain the exact number or quantity of all the different articles manufactured.

The same remarks are true, and to a still greater extent, in relation to the articles used in the various manufactures. Almost every important substance known in the animal, vegetable, and mineral kingdoms is used, and of some of them the quantities required are very great. From the returns we select only a few of the substances used during the year 1864-65, and the average daily quantity, reckoning 300 working days in the year:

	Year.	Daily.		Year.	Daily.
Cotton.....lbs.	30,434,389	101,350	Tin.....lbs.	164,000	547
Wool....." "	13,343,328	44,477	Tobacco....." "	189,593	683
Coal.....tons	42,566	143	Tallow....." "	752,500	2,508
Iron....." "	41,498	133	Potash....." "	31,600	272
Steel.....lbs.	634,617	2,115	Rosin....." "	1,7,500	392
Brass....." "	267,000	887	Hair....." "	34,334	114
Copper....." "	66,097	226	Pearl shells....." "	12,000	40
Lead....." "	1,312,003	4,040	Leather....." "	163,540	445

Let us apply the same method of illustration to the products of the manufactures. We have already given the quantities manufactured. The following shows the quantities produced daily of a few of the articles mentioned :

Cotton cloth.....yards	319,553	Horse-shoe nails.....lbs.	1,357
Cotton yarn and twine.....	9,096	Out nails....." "	26,667
Cotton thread.....spools	63,600	Hoop skirts.....number	132
Calicoes printed.....yards	319,333	Shoe and corset lacing.....doz.	32,000
Files.....number	1,800	Butt hinges....." "	925
Haircloth.....yards	270	Woolen cloths.....yards	48,750
Rifles and muskets.....	270	Balls of braid....." "	8,000
Horse-shoes.....number	10,067	Worsted braid.....yards	32,440
Tape.....yards	7,938	Shawls.....number	145
Wood screws.....gross	12,178	Stockings.....pairs	400
Blankets.....number	530	Woolen yarns.....lbs.	3,422

If we call the working day ten hours the production of cotton cloth in the State was equal to 583 yards per minute, of calico 532 yards per minute, of woolen cloths 81 yards per minute, and of wooden screws 2,922 per minute, during all the working hours of the year. The total production of cotton and woolen cloths was 67,893 miles, and of calicoes 54,440 miles. The total of cotton and woolen cloths and calicoes would circle the globe five times, or be equal to 1,164 yards for every man, woman and child in the State. It would nearly cover a surface 10 miles long by 7 miles wide.

These illustrations will give to some persons a clearer idea of the magnitude of the manufactures of the State than the simple statement of the quantities of the articles made.

It should be remembered that during the year ending June 1, 1865, the amount of products of some of the most important branches of manufacture was much less than it was five years previous. This was especially true in relation to manufactures of cotton. The high prices and difficulty of obtaining the cotton during the war, caused the suspension of several of the mills and reduced largely the quantity of the products. Several other branches of manufacture were also much depressed at the time the census was taken in the summer of 1865.

With relation to the spindles, looms, and other machinery used in the manufacture of textiles in Rhode Island June 1, 1865, we give the following :

Cotton cloth.....	839,095 spindles and 16,548 looms.
Woolen cloth.....	8,566 spindles, 2,756 looms, and 331 sets of machine.
Hair-cloth.....	585 looms.
Braid, lacing, &c.....	1,180 braiders.

The number of steam-engines in use in the manufactures of the State, as reported by the census of 1865, was 263, with 726 boilers, and with a total horse-power of 16,092. In addition to these three caloric engines with 11 horse-power were reported in Providence. Only 9 wind-mills were reported, but it is well known that several others were in operation.

In 258 manufacturing establishments water-power was used ; in 828 manufactories labor was the power used, and 104 used hired steam-power.



The following table shows the power used in each county :

County.	Steam			Establishm'ts using		
	Engines.	H-power.	Bollers.	Water.	Horse.	Manual.
Bristol.....	15	980	47	1	1	81
Kent.....	12	866	33	19	1	44
Newport.....	23	784	51	4	3	98
Providence.....	59	6,952	283	151	4	158
City.....	145	5,851	270	1	11	447
Washington.....	19	689	43	63	5	25
Whole State.....	263	16,002	726	258	24	836

In conclusion, we may repeat that the population of the State on June 1, 1865, was 184,965. The ascertained value of the products of the State for the year then ending was as follows :

Value of the products of agriculture.....	\$7,590,079
"    "    of the fisheries, &c.....	423,413
"    "    of manufactures.....	103,106,395
Total value of products.....	\$111,118,886

This shows a production of \$601 to each inhabitant of the State as per census of 1865.

In Massachusetts, the State census for the same year shows a population of 1,267,239, and the value of all products for the year was \$517,240,613, equal to \$408 *per capita*. In the Massachusetts census there are large sums for whale, cod, and mackerel fisheries, coastwise freights and other items, which are not found reported in the census of Rhode Island. Relatively, the last-named State is the most productive, as it has long been the wealthiest, State of the Union.

### THE PUBLIC DEBT.

The statement of the National debt, which we print on another page, offers some very suggestive aggregates. One is the net total, which now stands at 2,495 millions, against 2,492 millions a month ago. Since the debt reached its highest point two years ago, we have become so accustomed to see the aggregate diminish month by month, that some feeling of disappointment is apt to spring up when we find that the process of liquidation has been even temporarily arrested. In the present case the amount of the increase is small, and does not quite reach 2½ millions of dollars. It must be remembered, however, that, in a practical point of view, the present pressure of a National debt upon the resources of the people does not depend so much upon the nominal aggregate of that debt, as upon the amount of the annual interest it calls for, the methods of taxation used to collect the amount, and the sacrifices which these taxes entail by the interruption of the industry of the toiling masses of the population.

If we are rightly informed, there are two causes for last month's increase of the debt—heavy disbursements and diminished revenue. Although the ordinary payments incident to the carrying on of the Government are being reduced by economy and retrenchment at Washington to an extent which the public is not fully aware of, the extraordinary disbursements for the War Department, and especially for the payment of bounties, mount up to a very large sum. And when Congress voted the extra bounties it was pointed out as inevitable that the donations to our soldiers must be made by borrowing, and by a consequent increase

of the public burdens and the public debt. As to the diminished revenue, that is a result of the more equable adjustment of our internal taxation, which in 1865 and 1866 was found so galling and oppressive as to paralyze industry, to fetter the productive powers of the country, and to take out of the pockets of the people much more than it brought into the coffers of the Government. For these reasons, and for others which are waived for the present, we are not surprised to see that the tendency of the public debt is to augment rather than to diminish. But when our crippled industries have had time to gather vigor, when the organization of labor and capital is no longer dislocated in the South, when the productive energies of the whole country are revived and set in full harmonious activity—when, in a word, the giant strength of the nation is recuperated and disenthralled, the pressure of the debt will be infinitely less onerous, less severe, and more manageable.

The second suggestion from the debt is the satisfactory progress of the funding operations, in which the progress has been so steady and successful for two years past. We had been prepared to expect that Mr. McCulloch would have been compelled to relax the activity of these funding movements, and that after the vast efforts lately put forth to get relief for the Treasury from the prodigious aggregate of compounds and other floating short-date securities which mature this Fall, he would have left the Seven-Thirties that mature next summer, and would not be able to make any effective arrangements at present to diminish the amount out-standing. One is gratified, however, to find that no less than thirty-five millions of these Seven-thirties were redeemed and cancelled during the month of September. The aggregate now out is thus reduced to 365 millions, of which some 225 millions mature in June next, and 140 millions in the following month. The aggregate of these two issues was originally 530 millions. Although it is matter for regret that these notes were so issued originally as that such vast amounts of them should mature together, still they are now brought down to such narrow limits as to be easily manageable, and to suggest little ground for anxiety. The discovery on Thursday last of a dangerous and unusually well executed counterfeit of the June Seven-Thirties has caused some consternation among the holders of these securities, and will probably exert no small influence in stimulating the funding of both series into long bonds. Indeed we shall not be surprised if these clever forgeries, together with the frequent losses of bondholders by fire and robbery, by shipwreck and other causes should tend to induce more preference than has heretofore been shown for registered bonds. It is worthy of being generally known to the public that registered bonds may be had from the Treasury without delay. The conversion is facilitated by act of Congress, which permits coupon bonds to be exchanged without expense into registered bonds; and holders for investment throughout the Eastern States are availing themselves of the privilege so rapidly that we shall not be surprised if the greater part of the gold-bearing issues held in this country should before long be transmuted into registered bonds which offer complete safety.

We have only space to notice one more point in the debt statement, namely, the contraction of the greenback currency. In the exercise of

the discretion confided to him by Congress in the act of April, 1865, Mr. McCulloch has seen fit to withdraw currency to the amount of four millions, which is the maximum the law allows. He evidently believed that the relief to the money market which would be caused by the issue of the Three per cent. Certificates would countervail any tightening or stringency which might be caused by the maximum amount of legal contraction. As Mr. McCulloch is an old banker, and on the whole a very discriminating and judicious thinker on practical finance, it is not improbable that he may have calculated aright this time. Indeed the present indications confirm our opinion as expressed last week, that the monetary pinch caused by locking up currency suddenly in the Treasury, and aggravated by popular apprehension or by the machinations of speculators, has completely passed off for the time being. Still the Secretary of the Treasury incurs so much odium in consequence of his being the depository of the power over the currency that it has been proposed as a great relief to him that this control should be deposited in a Board like that which governs the Bank of England, all whose deliberations and doings shall be completely public, and should be known by the press to every one. Whether this project can be carried out or not may, perhaps, be doubted: as, also, whether it would work well, if adopted. But we may be well assured that the duties of the Secretary of the Treasury are quite heavy enough, and multifarious enough, without this additional burden.

### THE BREADSTUFFS MARKET.

It was very generally anticipated that one of the early consequences of the abundant harvest throughout the entire country would be a decline in the value of breadstuffs. The high prices of cereals for several months past were attributed to the deficiency of last years crops; and it was naturally concluded that, with our unusually abundant harvest, prices would rule low. That result, however, has not followed. On the contrary, as will be seen from the following comparison, the quotations now are little changed from those current at this time last year, when the deficiency of the crops was generally understood:

	Oct. 10, 1867.	Oct. 5, 1866.
Flour, Superfine, @ bbl.....	\$8 65@ 9 80	\$....@.....
Shipping R. hoop Ohio.....	10 75@11 40	11 50@12 00
Double Extra Western and St. Louis.....	13 25@16 50	13 00@16 50
Southern, fancy and extra.....	13 00@15 00	13 50@16 00
Wheat, Chicago Spring, per bushel.....	2 30@ 2 50	1 80@ 2 50
Milwaukee Club.....	2 30@ 2 50	2 00@ 2 25
Red Winter.....	2 65@ 2 75	2 70@ 2 80
White.....	2 50@ 3 10	2 50@ 3 10
Corn, Western Mixed.....	1 30@ 1 35	94@ 95
Southern White.....	1 40@ 1 45	96@ 97
Rye.....	1 55@ 1 65	1 10@ 1 40
Oats, Western cargoes.....	75@ .....	53@ 61
Barley.....	1 40@ 1 55	1 30@ 1 50

This apparent anomaly in values is not to be accounted for by any disappointment at the result of our harvest. In some sections complaints are made of the yield falling considerably short of anticipation. But such cases are the rare exceptions, the rule for the whole country

being all that could be expected from an increased average under crops, a fine season for planting and growing, and propitious weather for harvesting. We have the best possible confirmation of this view in the large amounts of grain now pressing towards the markets. Exclusive of corn, the receipts at the grain ports of the West show an enormous increase upon those of last year. The arrivals at the ports of Chicago, Milwaukee, Detroit, Toledo and Cleveland, from August 3 to October 5, compare as follows with those for the same period of 1866 :

	1867.	1866.	Increase.
Flour.....bbls.	1,024,969	196,026	298,963
Wheat.....bush.	12,164,265	7,377,973	4,786,292
Oats.....	5,392,236	1,922,150	3,470,086
Barley.....	1,593,071	703,797	889,274
Rye.....	736,583	461,817	274,766
Total.....	19,776,155	10,455,737	9,320,418
Corn.....	7,701,473	10,544,723	Dec. 2,843,250

The receipts of wheat show an increase of 65 per cent., and of oats, 175 per cent.; while with the total of wheat, oats, barley and rye there is an increase of 90 per cent. In corn there is a falling off of 2,843,250 bushels, or about 37 per cent.

In accounting for the anomaly of such immensely increased receipts being coincident with high prices, it is necessary to keep in view the condition of stocks both here and abroad before the harvest, and the supply of the European grain countries. At the close of the last crop year the stock of breadstuffs in all parts of this country was low, almost beyond precedent. The stock of wheat was so far reduced that a few weeks more consumption would have found us without flour for large masses of population. The early supplies have thus been required for stocking the millers and meeting the immediate wants of consumption, while the surplus receipts have been readily taken for exportation. A similar condition of stocks prevailed in Europe. Taking the average of European countries, it may be affirmed that they have now had deficient harvests for two successive years, and the past summer found them in a condition closely verging upon famine. There, as here, the millers, owing to the high prices of grain, had worked upon the lowest possible stocks, intending to replenish after the harvest; and the consequence has been an unexpectedly large early demand for grain, and a general advance in prices. Were there behind this active fall demand an abundant supply of grain, it would be reasonable to conclude that the present high rates must ultimately yield; but the general tenor of European advices tends to a different estimate of the result of the harvest. It is now generally conceded, with reference to Great Britain, that, although the harvesting weather was moderately propitious, yet the cold, heavy rains during the maturing of the crops did serious injury, so that the yield of wheat may be estimated at 20 per cent. below the average. The imports of wheat into the United Kingdom for the first two weeks of September were 1,521,000 cwt., against only 596,000 cwt. for the same period of last year; which indicates a conviction among grain merchants that the country will require unusually large foreign supplies. Undue importance seems to have been attached to the fact that France has bought somewhat freely in the British markets, the

purchases having been chiefly of red wheat, intended for seeding, and being after all comparatively nominal in quantity. It is very generally conceded, however, that the French crop is as short as that of Great Britain, and that France will have to be an importer of breadstuffs to a considerable extent. In Belgium the crop is short; the harvest of Poland is poor; Spain is deficient, and has begun to import from Marseilles; and in Algeria the crop is so inadequate that urgent assistance will be required from France. On the other side of the account, South Russia is reported to have a fair crop; Turkey, and the countries bordering on the Danube, have a full average; Egypt will have more than its late surplus; Hungary and Banat have overwhelming crops; while, as to the countries on the Baltic seaboard, there is as yet no definite information. It will thus be seen that while many of the grain countries have about an average yield, yet the number deficient far outweighs those having above an average. Taking Europe as a whole, then, it must be concluded that its harvest is short. Still we do not consider the actual foreign yield below that of last year; and yet, taken in connection with the very light stocks at the beginning of the year, the inference is plain, and it appears to us beyond reasonable question that the Old World will require all our surplus to make up its deficiency. This fact, however, does not warrant famine prices. Wheat enough has certainly been raised to supply the world's demand. And yet, since it is our surplus that determines the value of our crop, and as that surplus is needed for meeting the European deficiency, it is not easy to see how the prices of breadstuffs in this country can rule otherwise than high until next harvest. In the event of the yield proving better than is expected in countries from which the advices are not conclusive, or of our own crop proving even more abundant than present estimates, this conclusion may be to some extent modified; but even in that case, it would be too much to expect comparative cheapness in breadstuffs.

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### COTTON GROWING AND THE COTTON TAX.

Among those best acquainted with the details of cotton growing, it has long been a matter of doubt as to how far we should be able to compete with the growers of other countries under the new condition of affairs inaugurated in the South. The experience of the planters during the last two years has been far from encouraging, notwithstanding the high prices realised upon their product; but as that has been a period of transition, it would be unfair to regard it as fully illustrating what may be expected to obtain permanently under the new order of things.

The recent decline in the price of cotton is forcing this question upon the serious attention of the cotton trade. The current price of the staple at Liverpool is equal to about 20 cents, currency, for low middling, which may be taken as representing the average crop; but out of this 20 cents the planters receives only about two-thirds, or 13½ cents; for there must be deducted 2½ cents tax, and 3½ cents expenses, including loss of weight on account of the damp condition of the cotton; which

brings down the price to 14 cents, without any allowance for the cost of carrying the article from the plantation to the interior towns. According to one of the most trusted authorities in the New York cotton trade, this price is really below what it now costs to grow cotton; and a brief consideration will show the entire credibility of this assertion. Before the war the cost of cotton to the grower was understood to be 6 cents per lb. Now, however, every item of cost is enormously advanced. As a rule, prices average about double those of 1860. This rule applies to draft animals, to agricultural implements, to buildings, to the appliances for transportation and to gins, repairs and labor. The negroes live more expensively than when in a state of slavery, and require comparatively higher wages, while, owing to the high prices of breadstuffs and provisions, it costs much more to feed them than formerly. It may, therefore, be quite safely estimated that for a given amount of labor the planter has to pay fully twice as much as in former times. He is dependent more than formerly upon the factor for advances to cultivate his crop, and, as his greater dependence is attended with increased risk to the lender, his interest charges become a very heavy item of cost, the present rate upon factor's loans being about  $2\frac{1}{2}$  per cent. per month. Taking into consideration all these circumstances, it is readily perceived that the cost of growing cotton now is more than double that of years before the war.

Yet, to these items of increased cost must be added the tax of  $2\frac{1}{2}$  cents per pound, the climax of the planter's difficulties, placing him, as it does, in a position in which it becomes more than doubtful whether he can continue to compete successfully with the growers of other countries. Whatever may be said of the duty of the South to pay its share of the Federal burthens, it is very clear that the enforcement of this impost must end in sapping that section of its vitality and fatally prostrating its chief industry, and thus depriving the country of one of its principal sources of wealth. When cotton was selling at 35 to 45 cents per pound the duty appeared comparatively harmless; but now that the price is steadily descending to its old level, the question of the tax becomes a matter of life or death to the cotton interest. We can ill afford to allow sectional influences to render us in any degree indifferent to the necessary result of such a policy. The whole country is deeply concerned in maintaining our old ascendancy in the world's cotton trade, for it has not only hitherto been a chief element in our national power, through the foreign demand which always exists for this staple, but the interests of Northern commerce and manufactures are also bound up in the maintenance of this supremacy. If England can supply herself with cotton cheaper than ours, she at once gains an important advantage over our cotton manufacturers. But the really grave fact to be contemplated, in the event of our being outdone in competition as cotton growers, is that the South itself would be comparatively ruined—a mere grain growing country competing with the West—and in that case what becomes of the large Southern demand for Northern manufactures and Western breadstuffs? It is a short-sighted policy which aims to relieve the burthens of the North by the imposition of this tax. Just so far as the tax injures the South does it

injure Northern trade; so that although we may escape the impost, yet we do not escape its effects.

That there is real danger of our losing permanently our former ascendancy in the cotton trade is evident from a comparison of the imports of American cotton and of that of other countries into Great Britain before the war and since. The following figures will illustrate this point:

## BEFORE THE WAR (GREAT BRITAIN).

		American.	Other countries.	Total.
1850.....	lbs.	498,153,112	170,422,749	668,575,861
1851.....		526,638,969	180,740,787	757,379,749
1852.....		765,630,544	164,151,904	929,782,448
1853.....		658,451,796	236,836,953	895,278,749
1854.....		722,151,846	165,181,803	887,333,149
1855.....		681,639,424	210,122,528	891,751,952
1856.....		730,040,016	243,846,288	1,023,886,304
1857.....		654,758,043	214,560,848	969,318,896
1858.....		833,237,776	201,104,400	1,034,342,176
1859.....		961,707,364	264,281,808	1,225,989,072

## SINCE THE WAR (GREAT BRITAIN).

1865.....	135,832,480	842,145,808	977,978,288
1866.....	520,067,440	887,072,496	1,377,129,936

## AT LIVERPOOL ONLY.

Year ending Aug. 31st.	bales		
1865.....	1,360,709	2,308,470	3,651,179
1867.....	1,389,614	1,866,544	3,106,158

For the ten years preceding the war the imports of American cotton amounted to 7,127,500,000 pounds, and of the cotton of other countries to 2,161,000,000 pounds; the proportion of the whole imports consisting of American being 77 per cent., and of all other countries 23 per cent. In 1865, the proportion of American was 14 per cent. and of other countries 86 per cent.; but, owing to the continuance of the war during the first four months of the year, that period must be regarded as exceptional. In 1866, when planting in the South had been resumed, the receipts from the United States were 38 per cent. of the whole, and from other countries 62 per cent. Taking the receipts at Liverpool, for the two last cotton years (ending August 31, 1866 and 1867), we find the proportion in bales has been 37 per cent. of American and 73 per cent. of other countries. These statistics show that we have lost ground immensely, and should be regarded as affording a conclusive reason why the Government should relieve this interest of its burthens.

While we are now raising cotton without profit, India cotton is selling at 7d. per pound at Liverpool, or about 60 per cent. above its value before the war. In other words, the India growers can afford to have the price of their staple reduced 2½d. per pound before they are placed in their former position of competition with the United States. Can we afford a proportionate reduction in the price of our staple? If not, how are we to compete with Eastern cotton? That the planter should be able to pay the tax under such circumstances is clearly impossible.

## MOUNT CENIS SUMMIT RAILWAY.

The line of railway which has been in the course of construction for the last eighteen months over this pass, and which follows in the main the great road of the First Napoleon, was successfully traversed on the 21st ultimo over its whole length of 48 miles by a locomotive engine. A train composed of an engine and two carriages left the St. Michel station at 6:30 A. M. There were present the Duke of Vallambrosa; Mr. Fell, the inventor of the system; Mr. Brogden, a director of the company; Mr. Brunlees, the engineer, and his assistant, Mr. Bell; Mr. Blake, the agent of the company; Mr. Alexander and Mr. Barnes, locomotive engineers; Signor Copello, chief engineer for the Modane section of the tunnel; Captain Beaumont, R. E., Mr. James Drogden, Mr. Jopling, Mr. Morris and Captain Tyler, R. E., on the part of the British Government.

Mr. Fell's system consists of the application of a central double-headed rail placed on its side in the middle of the way and elevated about fourteen inches above the ordinary rails. There are four horizontal driving wheels on the engine under the control of the engine driver, which can be made by pressure to grasp the central rail so as to utilize the whole power of the engine, and so enable it to work up incredible gradients without slipping. The carriages, also, have four horizontal wheels underneath, which, with the central rail, form a complete safety guard. In addition to the ordinary break there are breaks upon the central rail. It would appear, therefore, impossible for the engine carriages to leave the rail<sup>s</sup> where the central one is laid.

The morning was admirably adapted for the trip, the sun shining with great brilliancy upon the Alpine peaks and the numerous glaciers which are visible in the different parts of the route. After leaving the deep valley in which St. Michel is situated, the line passes by a gradient of one in thirty to the Pont de la Denise, where an iron bridge spans the river Arcq near the site of that which was carried away by the inundations of last year. As the little train passed the village of Fourneau, the workmen of the Grand Tunnel of the Alps turned out *en masse*, and, as at all other parts of the route, they were observed stooping down, and even endangering their lives for the purpose of inspecting the unusual mechanism of the engine for working on the central rail. The first very steep gradient of one in twelve was seen in passing Modane, and, foreshortened to the view, appeared on the approach as if impossible to surmount; but the engine, the second constructed on this system, had already proved equal to the task on the experimental line, and, clutching the central rail between its horizontal wheels, it glided quickly up, under a pressure of steam not more than 80 lbs. to the square inch, without apparent effort. The progress was purposely slow, because no engine or carriage had previously passed over the line, and also to give opportunity for examining the works. The damages to the road on which the line was chiefly laid were found to be substantially repaired by the French government. The magnificent scenery around, and the waterfall near Fort Sessailon were much admired, as the sharp curves afforded different views while passing on the edges of the deep ravines. The train entered Lanslebourg station under a triumphal arch, having accomplished 24 miles of distance, and attained an elevation of 2,100 feet above St. Michel.



From this point the zigzags of ascent commence, and the gradients over a distance of four miles were for the most part one to twelve. Looking down from the train near the summit, as if from a balloon, four of the zigzags were visible at the same instant, to a depth of two thousand feet. The power of the engine was satisfactorily tested in this ascent, and the summit was reached under salvos of artillery from an improvised battery, and amid the cheers of French and Italians who had gathered to welcome the English on the frontier. The engine again came to a stand under a triumphal arch, at an elevation of 6,700 feet above the sea. Flags of the three nations, and a silk flag specially presented by Signor Ginaoli to Mr. Fell, waved over a sumptuous breakfast, also provided by that gentleman. The hospice, the lake, and the plateau of the summit, surrounded by snow-clad peaks and glaciers, rising to an elevation of from 10,000 feet to 13,000 feet were passed, and the portion of the descent commenced from the Grand Croix. The railway here follows the old Napoleon road, which was abandoned long since for diligence traffic on account of the dangers from avalanche. Masonry-covered ways of extraordinary strength had here been specially provided for the railway.

The descent to Susa was a series of the sharpest curves and steepest gradients on which the central rail had been continuously laid. The Valley of the Dora, with Susa and the Convent of San Michel, and even the Superga above Turin, visible for thirty miles in the distance, presented a magnificent panorama, as the train wound through a clear atmosphere round the mountain side. The confidence of the party on a trip which would, under ordinary circumstances have been so dangerous, was manifested by their crowding round all parts of the engine, from which, under a feeling of the security afforded by the central rail, they thoroughly enjoyed the ever-changing scenes as they passed round the edges of the various precipices. Susa was entered amid the acclamations of multitudes of spectators, and the party adjourned to dine at the Hotel de France.

Thus was completed a journey unexampled in its character both as respects the steepness of gradients, the elevation of the summit level, and the difficulty with which the curves and precipices were overcome.

#### GRENVILLE AND COLUMBIA (S. C.) RAILROAD.

The Greenville and Columbia Railroad is constituted as follows :

	miles.
<i>Main Line</i> —Columbia to Greenville.....	143½
<i>Branch Line</i> —Cokesbury to Abbeville.....	11¾
"    "    Belton to Anderson.....	9¾ 21
Total length of road owned by Company.....	164½
Blue Ridge RR. (leased) Anderson to Walhalla.....	33
Total length of road operated by Company.....	197½

The fiscal is the same as the calendar year. During the early months of 1866 the track was incomplete and remained so until May 31, and it was not until August 31 that the bridge over the Broad River at Alston was restored. In the meantime passengers and goods had been carried on the Broad River between

Columbia and Alston. and from May to August had still to be ferried across the river at the latter point. With exception of the newly laid portions the roadway is reported to be still imperfect and needing extensive repairs.

The rolling stock at the end of 1866 consisted of 16 freight of 7 passenger locomotives; 5 passenger and 8 2d class and mail cars; and 58 freight cars in order and 3 passenger and 2 mail cars, and 21 freight cars which will be rebuilt. The company at the same time were building 8 new cars. The freight stock requires to be largely increased to meet the business offering. During the year passenger trains had been run 60,598 miles, and freight trains 57,840 miles, carrying 31,326 passengers and with its freight, 11,343 bales of cotton.

The gross earnings in the year 1866

Amounted to the sum of .....	\$261,931 17
Viz.: from freight \$126,812 23, passengers \$112,917 93, government business \$4,839 03, and mails \$7,442 98.	
Current expenses (including \$30,000 extraordinary) .....	144,730 37
Net income after deducting expenses .....	\$107,200 82

And there was expended during the year for reconstruction and repairs made necessary by war and freshet \$157,686 34.

The total receipts and disbursements, from January 1 to December 31, 1866, are thus shown in the statement of the auditor, viz. :

RECEIPTS.		DISBURSEMENTS.	
Cash balance, January 1 .....	\$4,324 66	Surveys, right of way, &c. ....	\$6,010 68
Capital Stock .....	\$1,580 00	Bills payable .....	29,195 23
Real Estate .....	6,000 00	Profit and Loss .....	21,391 32
Income of road .....	940,454 21	Blue Ridge R.R., old accounts .....	8,000 00
Bills payable .....	121,395 45	Interest and Exchange .....	18,086 96
Cotton account .....	30,999 79	Bureau Department .....	7,613 73
Materials, &c., on hand, Jan. 1, '66 .....	21,261 55	Way prior to 1866 .....	33,367 12
Total .....	\$428,015 66	Way 1866, including extraordinary expenses .....	155,349 26
		Transportation prior to 1866 .....	22,175 96
		"    in 1866 .....	90,467 27
		Materials on hand Dec. 31 .....	14,534 26
		Receipts and cash on hand .....	26,824 57
		Total .....	\$428,015 66

The capital account in which is shown the condition of the company at the close of 1866 is as follows :

LIABILITIES.	
Capital stock .....	\$1,570,374 54
Bonded Debt .....	1,550,000 00
Bills payable .....	\$106,547 53
Sundries .....	330 40
Surplus income .....	87,746 43
(Coupons and interest due and unpaid \$484,265, not included)	
Total .....	\$3,305,298 59

PROPERTY AND ASSETS.	
Cost of road .....	\$3,792,553 37
Locomotives and cars .....	363,650 36
Real estate, surveys, &c. ....	25,534 10
Bills receivable .....	2,617 23
Stocks in other Railroads .....	80,495 00
Materials, &c., on hand .....	14,534 26
Receipts and cash on hand .....	26,824 57
Total .....	\$3,305,298 89

The bonded debt is thus accounted for :

1st Mortgage bonds due in 1862, '63 & '64.....	\$326,000 00
Bonds guaranteed by State, due July 1881, '83 and '83.....	324,000 00
Plain bonds, due in 10 years from July 1866 and 1868.....	600,000 00
Total outstanding Dec. 31, 1866.....	\$1,550,000 00
Coupons and interest to January 1, 1867.....	484,295 90
Total bonds, coupons and interest.....	\$2,034,295 90

The approximate loss and damage sustained by war and freshet is set down at \$323,205 90, and the loss in assets by the collapse of the Confederate government at \$925,568 02.

#### DEBT AND FINANCES OF ALBANY.

The indebtedness of the City of Albany is arranged under the three heads of "General Debt," "Water Debt," and "Contingent Debt," the details of each of which, as they stood on the 1st November, 1866, are shown in the following statement :

##### GENERAL DEBT (principal and interest chargeable on taxation).

Principal payable. On demand	Amounts outstanding—			Interest payable—		Total Amount.
	5 per ct.	6 per ct.	7 per ct.	When.	Where.	
1867.....	\$...	\$3,000	\$1,500	On demand	Albany	\$4,500
1868.....	.....	20,000	.....	Jan. 1 & July 1.	N. York	20,000
1869.....	.....	20,000	.....	"	"	20,000
1870.....	21,000	10,000	.....	"	"	10,000
1871.....	20,000	.....	.....	June 1 & Dec. 1.	"	21,000
1872.....	20,000	.....	.....	"	"	20,000
1873.....	20,000	.....	.....	"	"	20,000
1874.....	12,000	.....	.....	"	"	20,000
1880.....	.....	20,000	.....	"	"	11,000
1881.....	.....	20,000	.....	"	"	20,000
1882.....	.....	20,000	.....	"	"	20,000
1883.....	.....	20,000	.....	"	"	20,000
1884.....	.....	20,000	.....	"	"	20,000
1885.....	.....	10,000	.....	Feb. 1 & Aug. 1.	Boston.	20,000
1886.....	.....	20,000	.....	"	"	10,000
1887.....	.....	20,000	.....	"	"	20,000
1888.....	.....	20,000	.....	"	"	20,000
1889.....	.....	20,000	.....	"	"	20,000
1890.....	.....	20,000	.....	"	"	20,000
1891.....	.....	20,000	.....	"	"	20,000
1892.....	.....	20,000	.....	"	"	20,000
1893.....	.....	20,000	.....	"	"	20,000
1894.....	.....	20,000	.....	"	"	20,000
Total.....	\$100,000	\$342,000	\$1,500			\$444,500

Included in the above are \$100,000 6 per cents, due 1880-84, issued for the relief of families of drafted men, and \$190,000 6 per cents due 1885-94, issued for the purchase of Congress Hall block.

In addition to the foregoing are bonds of the city loaned to the Albany Northern Railroad Company amounting to the sum of \$300,000, 6 per cents, principal payable May 1, 1879, and interest May 1 and November 1, in the city of New York. Including this amount the sum total dependent on taxation for principal and interest is \$744,500.

The sinking fund established for the extinguishment of this debt now holds investments to the amount of \$10,000 (city bonds of 1881 and 1882) bearing 6

per cent. interest. Including a balance in the Chamberlain's hands at the commencement of 1865-66, of \$62,420 82; special tax \$10,000; rent of New York Central Railroad depot (two years), \$12,000, and other income, the total receipts on this account in the year ending November 1st, 1866 was \$89,313 22. The disbursements (redemptions) in the same year, amounted to \$93,750 00 leaving the fund in debt to the amount of \$4,436 88. [On the 1st July, 1867, \$20,000 6 per cents became due, for which provision was made by the Chamberlain]. "Water Debt," principal and interest chargeable to City Water Works revenue :

Principal payable.	Amount outstanding.	Rate.	Interest	
			When.	Where.
1870.....	\$15,000	6	Feb. 1 & Aug. 1.	Albany.
1871.....	45,000	6	" "	"
1872.....	240,000	6	" "	New York.
1873.....	50,000	6	" "	"
1876.....	250,000	6	" "	"
1881.....	250,000	6	" "	"
Total.....	\$350,000	6	Feb. 1 & Aug. 1.	

The sinking fund for the payment of these bonds, as they become due, is made up chiefly from an annual appropriation of \$5,000 by the city and interest on investments. The total income in the year 1865-66, including a balance of \$247 50 from previous year amounted to 13,783 95. From this was purchased water bonds \$10,000, for \$10,109, leaving a balance to credit of \$3,674 95. The investments held by the Trustees of the Fund at the close of the year were as follows :

Water b'ds, 1871.....	\$51,000	City 5's, 1873.....	\$4,000	City 6's, 1883.....	\$6,000
" 1876.....	24,000	" 6's, 1880.....	5,000	" 1884.....	7,000
" 1881.....	14,000	" 1881.....	1,000	Cash in bank.....	3,675

—total investment \$115,674 95.

"Contingent Debt," principal and interest chargeable to corporations :

Principal payable.	Corporate Title of beneficiaries.	Amount outst'd'g.	Rate.	Interest	
				When.	Where.
1866, July 1.....	Alb'ny & W't St'k'b'dge RR.....	\$350,000	6	Jan. 1 & July 1.	Boston.
1870 ".....	" " " ".....	300,000	6	" "	"
1871 ".....	" " " ".....	300,000	6	" "	"
1876 ".....	" " " ".....	250,000	6	" "	"
1896 ".....	Albany & Susquehanna RR.....	500,000	6	" "	"
Total contingent debt.....		\$1,500,000	6		

The bonds for the construction of the Albany and West Stockbridge Railroad were issued in accordance with agreements made for \$650,000 April 23, 1840, and for \$350,000 June 26, 1841, between the city and the Western (Mass.) Railroad Company, the interest payable by the latter, and for the final extinction of the debt the same company contributes towards a sinking fund (originally of \$100,000) one per cent on the total amount of the loan over and above the interest. The sinking fund thus established amounted, November 30, 1866, to the sum of \$995,841 34, and hence for all practical purposes the city is entirely relieved from the contingency involved in the first issue of the bonds. Included in the sinking fund are \$311,000 of the issue, viz.: of bonds payable in 1866, \$246,000; in 1870, \$38,000; in 1871, \$9,000, and in 1876, \$18,000.

These bonds have since been returned to the city and destroyed, thus reducing the actual outstanding debt to \$689,000.

The Albany and Susquehanna Railroad loan is secured by a mortgage on the property of the company, which besides interest will contribute one per cent. annually to a sinking fund established for the final liquidation of the bonds issued. [The first contribution has been paid, and there can be no doubt of the ability of the beneficiary to meet all future demands as they become due.]

The loan to the Albany Northern Railroad originally belonged to the category of contingent debt, but on account of the bankruptcy and subsequent sale of this company's property, the city has become liable for both principal and interest, and hence its transfer to the general debt list.

The aggregate debt and liabilities of the city, the sum of the above stated indebtedness at the end of the year 1865-66, amounted to \$3,094,500, or less sinking fund, to \$1,972,983 71, as shown in the following recapitulation :

Liability.	Amount of debt.	Sinking Fund.	Debt, less Sink'g F'd
General Fund .....	\$444,500	\$10,000	\$434,500
Albany Northern Railroad .....	300,000	.....	300,000
Water Works .....	850,000	115,675	734,325
Albany and West Stockbridge Railroad .....	1,000,000	995,841	4,159
Albany and Susquehanna Railroad .....	500,000	.....	500,000
Total .....	\$3,094,500	\$1,121,516	\$1,972,984

The total of the income account for the fiscal year ending Nov. 1, 1866, is shown in the following exhibit :

Balance of cash on hand Nov. 1, 1865 .....	\$83,803 53	\$ .....
Receipts from Nov. 1, 1865, to Nov. 1, 1866 .....	961,036 75	.....
Disbursements .....	.....	978,037 71
Cash on hand Nov. 1, 1866 .....	.....	71,791 57
Total .....	\$1,049,839 28	\$1,049,839 28

The principal sources of income were—taxes, \$455,143 11; bonds issued, \$190,000; temporary loan, \$110,000; water works, \$92,729 62; county, \$32,981 52; assessments for streets and drains \$23,481 69; school fund appropriations, \$19,105 96; trustees general debt sinking fund, \$12,900, &c., &c.

Disbursements were made as follows: Temporary loans, \$185,000; Board of Capital Police, \$80,123 61; trustees general debt sinking fund, \$75,750; Congress Hall block (purchase) \$68,858 75; district schools, \$64,296 30; water works, \$35,084 65, and interest on water bonds \$51,000; almshouse, \$47,439 16; streets and drains, \$34,484 50; contingents, \$51,834 09, and street contingents \$22,903 17; fire department, \$46,622 36; lamps, \$44,257 97; poor, \$42,612 05; interest, \$48,398 45; city hall, \$10,256 26; ferry, \$10,796 47; salaries, \$15,725; county, \$16,461 48, &c., &c.

The following table shows the amount raised by tax during the past five years for the several objects therein stated :

	1861.	1862.	1863.	1864.	1865.	1866.
Contingents .....	\$34,500 00	\$79,500 00	\$108,000 00	\$168,470 00	\$186,000 00	\$186,000 00
Lamps .....	22,000 00	23,000 00	28,000 00	35,000 00	35,000 00	40,000 00
Streets .....	3,000 00	3,500 00	6,000 00	50,000 00	5,000 00	5,000 00
Inter-st .....	30,000 00	28,000 00	28,000 00	32,000 00	32,000 00	42,000 00
Sinking Fund .....	10,000 00	10,000 00	10,000 00	10,000 00	10,000 00	10,000 00
City Poor .....	18,000 00	25,000 00	35,000 00	35,000 00	40,000 00	40,000 00
Schools .....	84,000 00	81,000 00	81,700 00	39,530 00	42,979 49	40,128 61
Police .....	40,000 00	40,000 00	40,000 00	45,000 00	45,000 00	45,000 00
County .....	5,114 94	6,812 37	5,512 94	7,880 68	8,440 06	8,440 06
Total .....	\$346,614 04	\$346,812 37	\$396,212 94	\$422,080 60	\$425,143 11	\$425,143 11

Thus it appears that five years has nearly duplicated the taxation for city purposes. The increase, however, is much of it of a temporary nature only. The increase of the police tax is, in consequence of the establishment of the Capital Police, an institution on a basis similar to the Metropolitan Police. In other respects the increase has been comparatively moderate, considering the increased price of labor. Probably the city was better lighted in 1866 on \$40,000, than in 1862 on \$22,000, and it is possible that to care for the same number of poor twice as much is now required as five years ago. If rigid economy, however, has been practised in these departments how much more rigidly has that economy been applied to the Department of Schools, the increased cost in the five years having been only about 20 per cent.

The population of Albany in 1860 was 62,367, and in 1865 62,613. It thus appears that the increased taxation has not been relieved by a corresponding increase in population. In 1862-64 it was probably lower than in 1860, and for those years we quote it at 60,000. By the taxing season of 1865 the returning soldiers might have increased the numbers to 62,500. Taking these figures for granted (and the figures by census in 1865 as the numbers on which the tax for 1866 was levied) the taxation, per capita, has been as follows: for 1862 \$4.11; for 1863 \$4.10; for 1864 \$4.77; for 1865 \$6.75, and for 1866 \$7.27. This amount was for city purposes only.

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#### THE STATE OF EUROPE.

The telegraphic synopsis of Count Bismarck's recent speeches indicate conclusively the appreciation by his Government of the situation of the country in its relation to France, and its resolute determination to proceed in its course un-intimidated by the covert menaces of foreign governments, and prepared if need be to defend itself and its policy by force of arms. The dignified reticence of the King of Prussia was not obligatory upon other statesmen of inferior rank though more real influence than the King. Accordingly the Prussian Prime Minister, in the face of the French pretensions that the *status quo* determined by the late treaty is to be the limit of German extension or unification, proclaims to the world from his place in the German Parliament that the complete union of the Teutonic races under one government is still proceeding and will proceed; and while he avows his belief that no power is mean enough, he also boasts that no power is strong enough, to prevent it. There can be no doubt as to the meaning of these words, delivered by a man of Count Bismarck's character, at the head of a great nation flushed with recent successes on a popular path, into which he has led them. The only question that can remain is whether France will take up the practical defiance—a defiance, however, which would not have been one at all had it not been for her ostentatious interference and vain demands for territorial compensation to match the increasing strength of her north-eastern neighbor. It must be hard for so proud a nation to stomach the rebuff—not the less hard because she has provoked it. To do so, moreover, lets her down from

the first place so dear to Frenchmen—that of the first military nation of the Continent; and the descent—thanks to her policy elsewhere—will not remain one of theory alone. The course of events in Italy is closely connected with the relations between Prussia and France. The latter a few years ago assumed the place of patron to the Italian people; but she has, like other patrons, demanded such inconvenient and humiliating deference and sacrifice in return for her favor, that the *protege* has been driven to seek assistance in another quarter. Italy has had to thank Prussia for its last acquisition of Italian territory—Venetia; but yet has not wholly escaped from the tutelage which France has fastened upon her. Whatever the Italian King and Government may do, the nation like Germany desires to complete the consolidation of its race by the comprehension under one Government of all the Italian people. If France has either a national interest which winces at the augmented strength of its late suppliant for her assistance, or if she has within herself a religious element with which the Emperor does not choose to break, the Italians see no reason why the programme which the Emperor laid down when he went to war with Austria for Italy should not be completed. Their latest ally is neither jealous of Italian strength nor subject to any religious qualms when the Papal Government is interfered with, and thus they see a means of making the acquisition of Rome, as they did that of Venice, without the sanction, or in spite of the sanction, of the power which resides in Paris. It would be strange if they doubted in the fortune of their star, when they look back at what has been accomplished and feel how much more their fate is in their own hands than it was only seven years ago. Garibaldi, still the popular leader in a project which he has long ago announced and has steadily persevered in promoting, has once again taken the field, and has once again repeated his experience of Aspromonte. He has been stopped on the way to attempt a new conquest for a Government for which he has already conquered kingdoms, and from which he has also already met with opposition, wounds and imprisonment. A life like his is utterly without example in the histories of the world; but the existing phase of it is but a repetition of one that has gone before; and if his projected journey across the Roman frontier has been rendered abortive, so far as direct and immediate results are concerned, it will not in all probability fail to forward the object of the popular desire. Those of us whose business it is to register the progress of events remember how the expedition which was stopped at Aspromonte—how the very stoppage of it indeed forced the hands of the unwilling Government of the day, and made them renew in the face of the world their pledges to the nation, that though policy had compelled them to prevent a premature endeavor to take in the Italian territory which still remained outside of the kingdom of Italy, they had not and would not abandon the intention to claim it. It was five years ago since the Italian House of Commons addressed the King, declaring that they would have an army of four hundred thousand men, and then they would see who would withhold Rome from them; and the circumstances which led to that declaration have been almost re-enacted. But during that short period Italy has become the proprietor of the formidable quadrilateral which had previously barred her entry to the northern Italian province, and Austria, which was one of the strong

men keeping the house against her, has not only suffered ruinous loss, but has been compelled by circumstances to turn her thoughts to a new line of policy, that makes her alike indifferent and powerless in Italy. Victor Emmanuel and his Government have once more obeyed the behests of the Tuileries, at the cost of their own popularity with their own people, but Garibaldi has once more given an impulse to the popular sentiment which in some shape or other, no one can yet tell in what or at what time, will be translated into positive action. Europe is not in so stable a condition as to make it possible for any one power securely to guarantee the sovereignty of a territory like Rome against an adjoining people numbering more than 20,000,000 of the same race as its inhabitants, and animated with a steady purpose of aggression. This could scarcely be done if the Romans themselves were unanimously loyal; it is utterly impossible when a large portion of them, at all events, are only restrained from revolution by the presence of foreign troops. Opinions will of course be divided as to the right or wrong, the good or evil, of the course events are taking; but, humanly speaking, there seems to be little doubt as to the direction in which the Italian question tends for a solution.

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#### GOLD MINING IN VICTORIA.

Few persons, when they read of the immense quantity of the precious metal that has reached England from Victoria, are at the same time aware from how small a portion of the superficies of that colony the golden harvest has been extracted. And yet the six millions sterling that has been shipped from that port for several years has been drawn from a very scurvy slice of the district which is known to be auriferous. Mr. Selwyn, the Government Geologist, asserts that the total area occupied in Victoria by lower Palæozoic auriferous formations, with their associated Plutonic rocks, including the district in which the overlaying tertiaries and recent deposits do not exceed 350 feet, cannot be estimated at less than 41,813 square miles. Deducting 11,465 square miles occupied by granite, and other plutonic rocks, that are not auriferous or only partially so, we have an area of 30,438 square miles, in any part of which there is a possibility of remunerative gold deposits being found, either in veins or in alluvial deposits. Of this superficies only 860½ square miles, or about one thirty-third, have been mined upon; and of the area under treatment only about one-sixth (or in other words about a two-hundredth part of the whole auriferous country) was occupied at the termination of the year 1866. This is no mere guess to serve as an approximation towards the truth, but will be convincingly demonstrated by a reference to the "Geological Sketch Map of Victoria," that may be seen at the School of Mines, Jermyn street, or at the Port Philip and Colonial Gold Company's office, Bucklersbury.

These facts we take from a most interesting pamphlet which has just issued from the press, entitled "The Gold Mines of Victoria, with statistics gathered from the various departments of the Victorian Government, and other sources." The R. L. M. Kitto, Mining Surveyor under the Colonial Government, has ad-



a long experience in mining operations, and is very careful to verify every one of his assertions by reference to suitable authority. The great object of this gentleman is to fix the attention of the English capitalist on the fact that whatever may be the fate of the gold digger, the prospects of the gold winner are improving every day. Unfortunately, he says, it is generally understood in England, and elsewhere, that gold in Victoria occurs in shallow alluviums, and that these are being gradually exhausted. That indeed is the case with the shallow alluviums, but that class of mines, as will be seen by an examination of the map before referred to, bears only a very small proportion to the whole; while it may be affirmed that the immense areas of deep auriferous tertiaries, together with the numberless quartz veins, are practically inexhaustible. Mr. Smith, the Secretary of mines for the Colony, in the pamphlet prepared by him in his official capacity, for the present Paris Exhibition, states:—"We have room for four times the number of persons now actually engaged in mining, and if the yield of gold has fallen off, it is because the numbers engaged in mining has decreased. Gold mining is laborious, often uncertain, and frequently involves hardship and suffering which none but the strongest are capable of bearing without injury, and it is not surprising that many persons who left their professions and trades in the hopes that they would soon acquire a fortune on the gold fields, have resumed their former pursuits." This change will, however, turn out greatly to the benefit of the colony, and of those who have the prudence to invest in the auriferous districts, now that their working has passed into this new phase. Alluvial mining was too much a mere lottery for banks, great companies, or investors who required a steady return, to think of taking up. You would get gold or you would get dirt—it was a risk calculated only for small bands of fortune hunters, who, if they lost all, lost little more than their time. The change has begun, and has worked so successfully that interest alone would seal its continuance, even though there were not other causes in operation to keep matters running in the new groove. We fully agree with Mr. Kitto that "in a few years individual mining will be no more known; the quartz mines and deep *leads* will become the property of the capitalist, and will be worked with science and skill; the workmen will be better and more regularly paid, and once more the social system will be properly regulated." Quartz mining already furnishes nearly one-half of the yield of gold in the colony. The total sum for 1866 was £5,916,776, of which £4,077,198 was the produce of the alluvial gold, and £1,839,581 came from the quartz.

Those who recollect the history of the Australian gold discoveries will readily account for the fact that the first rush was to the alluvial diggings, and the wealth that emerged from thence was so extraordinary, that succeeding comers may well be excused for having stuck to the tracks left by their predecessors. But science, dogmatizing instead of experimenting, must bear some part of the blame. Prejudiced by the *dicta* of European philosophers, a commission, appointed by the Victorian Government so long ago as 1856, laid it down that mining for gold to great depths in quartz reefs would be unprofitable. They were so precise indeed as to state the limit below the surface—sixty feet or ten fathoms—beyond which it would be hopeless to go. Facts, however, will be

continually giving theory the flat contradiction, and theory then revises its reasoning, strikes out the faulty links, and soon reproduces the chain, sound again, and apparently all the better for having been mended. But in Victoria and California, but for apparently rash explorations, undertaken through ignorance of theory, the geology of gold would still have been based on erroneous principles. The deepest gold mine in the world, and also the most productive, is Mr. Hayward's at Suttar Creek, California, which is 1,200 feet in perpendicular descent from the surface, and probably 300 feet below the ocean. The Port Phillip and Colonial Gold Mining Company received accounts by the very last mail that the profit on their quartz, brought from great depths, amounted to £6,800 for the last month alone.

But this company has carried forward its quartz-crushing operations on a grand scale, and the pertinaciousness with which it adheres to them ought to supply incontestible proof of the remunerative nature of the process. From the commencement of operations in 1857 to the 31st July, last year, the company had crushed a mighty mass, altogether 308,661 tons of stone, obtaining thence gold of the weight of six tons, reckoning 2,000 lbs. to the ton. Mr. Kitto adduces returns also from a very large number of companies, where quartz has been obtained at depths varying from 600 to 250 feet, all presenting excellent profits, and all demonstrating that if the gold does not increase with the depth at least there is no decrease. The grand result of the widest possible investigation is that with the average yield of the colony, viz., 10 dwts. 16·2 grs., or about 43s. per ton, the annual profit of working quartz mines would be 30s. on every ton crushed. Mr. Kitto then gives figures which show that if a return of only 7 dwts. per ton were obtained, there would be a clear profit of 50 per cent. on say every £25,000 employed, even allowing so much out of the returns as £10,900 for contingencies, accident, &c.

The author gives a short digest of the colonial laws and regulations which must in a measure govern the miner's course, for, as well beseems a territory in which mining plays so prominent a part, the Government has a Department of Mines, the head of which has a seat in the Legislative Assembly and the Cabinet. The work before us is entirely free from any bias in favor of any particular localities or companies, and very honestly fulfils the purpose it proclaims, that of showing that an immense field is open for the safe investment of capital in the gold mines of Victoria and New South Wales. When capital once more resumes its usual eager activity, instead of being hoarded up, cowed, and unfruitful, Mr. Kitto's pamphlet will furnish a guide to investment under the security of British laws, and in a quarter where every shilling set to work will give an impetus to trade at home that must benefit the merchant and the trader through a hundred other channels than that of the dividend on his mining stock that will half-yearly gladden his eyes.

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## PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st September and 1st October, 1867:

DEBT BEARING COIN INTEREST.					
	September 1.	October 1.	Increase.	Decrease	
5 per cent. bonds.....	\$198,481,350 00	\$198,481,350 00	\$.....	\$.....	
6 " '67 & '68.....	14,899,791 80	14,707,941 80	.....	161,850 00	
6 " 1881.....	268,676,100 00	268,676,100 00	.....	.....	
6 " (5-20's).....	1,306,710,500 00	1,328,380,750 00	22,670,250 00	.....	
Navy Pen. F'd 6 p.c.....	18,000,000 00	18,000,000 00	.....	.....	
Total.....	1,715,687,741 80	1,745,196,141 80	29,508,400 00	.....	
DEBT BEARING CURRENCY INTEREST.					
6 per ct. (RR) bonds.....	\$16,846,000 00	\$16,746,000 00	\$400,000 00	\$.....	
3-years com. int. n'tes.....	78,889,800 00	78,839,880 00	.....	50 00	
3-years 7-30 notes.....	400,736,025 00	365,489,100 00	.....	35,246,925 00	
Total.....	495,971,825 00	451,074,880 00	.....	34,896,945 00	
MATURED DEBT NOT PRESENTED FOR PAYMENT.					
7-30 n. due Aug. 15, '67.....	\$.....	\$4,350,000 00	\$4,350,000 00	\$.....	
6 p. c. comp. int. n'tes.....	12,672,780 00	7,468,100 00	.....	5,199,680 00	
B'ds of Texas ind'ty.....	262,000 00	262,000 00	.....	1,000 00	
Treasury notes (old).....	165,811 64	164,511 64	.....	300 00	
B'ds of Apr. 15, 1842.....	64,788 68	54,061 64	.....	10,707 04	
Treas. n's of Ma. & Gt.....	959,880 00	959,880 00	.....	.....	
Temporary loan.....	5,279,185 55	5,012,308 55	.....	266,876 00	
Certif. of indebtedness.....	86,000 00	.....	.....	.....	
Total.....	19,440,375 87	18,221,256 88	.....	1,219,119 04	
DEBT BEARING NO INTEREST.					
United States notes.....	\$365,164,844 00	\$361,164,844 00	\$.....	\$4,000,000 00	
Fractional currency.....	29,392,173 97	29,364,713 87	473,540 40	.....	
Gold cert. of deposit.....	15,423,700 00	14,867,880 00	.....	554,820 00	
Total.....	410,019,716 97	405,397,377 87	.....	4,122,339 60	
RECAPITULATION.					
Bearing coin interest.....	1,715,687,741 80	1,745,196,141 80	29,508,400 00	\$.....	
Bearing cur'y interest.....	495,971,825 00	451,074,880 00	.....	34,896,945 00	
Matured debt.....	19,440,375 87	18,221,256 88	.....	1,219,119 04	
Bearing no interest.....	410,019,716 97	405,397,377 87	.....	4,122,339 60	
Aggregate.....	2,641,119,459 64	2,630,898,456 00	.....	10,730,008 64	
Coin & cur. in Treas.....	145,886,094 59	135,112,009 24	.....	13,294,085 25	
Debt less coin and cur.....	2,492,733,365 05	2,495,277,446 76	2,494,061 71	.....	

The following statement shows the amount of coin and currency separately at the dates in the foregoing table:

COIN AND CURRENCY IN TREASURY.					
	September 1.	October 1.	Increase.	Decrease.	
Coin.....	\$101,263,090 00	\$103,298,659 69	\$2,035,569 69	\$.....	
Currency.....	47,073,074 59	31,813,849 55	.....	15,259,225 04	
Total coin & cur'y.....	148,336,094 59	135,112,009 24	.....	\$13,224,085 25	

The annual interest payable on the debt as existing September 1, and October 1, 1867, (exclusive of interest on the compound interest notes,) compares as follows:

ANNUAL INTEREST PAYABLE ON PUBLIC DEBT.					
	September 1.	October 1.	Increase.	Decrease.	
Coin—5 per cents.....	\$9,921,567 50	\$9,921,567 50	\$.....	\$.....	
6 " 67-68.....	822,187 51	882,476 51	.....	9,711 00	
6 " 1881.....	17,030,566 00	17,030,566 00	.....	.....	
6 " 5-20's.....	72,842,680 00	74,122,846 00	1,780,315 00	.....	
6 " N. P. F.....	780,000 00	780,000 00	.....	.....	
Total coin interest.....	\$100,266,251 01	\$102,737,455 01	\$1,771,504 00	.....	
Currency—6 per cents.....	930,780 00	1,004,760 00	24,000 00	\$.....	
7-30 ".....	29,257,379 82	26,680,704 80	.....	2,576,675 53	
Total currency interest.....	\$30,238,159 82	\$27,685,464 80	\$.....	\$2,552,675 53	
Aggregate coin & currency, excl. comp. interest notes.....	\$131,195,090 83	\$130,412,919 81	\$.....	\$782,171 52	

## PROGRESS OF GREECE.

A short time ago a pamphlet appeared in Paris entitled "*La Turquie ou la Grece*," by Mr. Alexander Risa Rangabée, at present envoy from Greece to this country. A trustworthy compilation of facts like this which Mr. Rangabée has given us is very welcome here, and we present below some of its leading facts and figures.

The population of Greece is now 1,500,000. In the first decade of Greek independence the increase of population was 3.9 per cent.; in the second, 2.2 per cent.; in the last thirteen years, 1.16 per cent. The average for thirty-four years is 1.44 per cent. That this is not a slow rate of increase is easily shown. When Greece became independent, all the Turks residing within her boundaries emigrated. The greater clemency of the Turkish rule in the Christian provinces of Turkey, after the revolution, also enabled many expatriated Christians to return from Greece to their homes. Lastly, the colonizing spirit of ancient Greece has shown itself in the eagerness with which the Greeks of our day have thrown themselves into commerce. They are found in all quarters of the world.

The agriculture of Greece has advanced wonderfully since freedom has given the agriculturists heart to work. Mr. Rangabée remarks that he is "unable to give a statistical exhibit of the increase in production, but personal observation will soon convince any one that it must be very large. The face of the country in many regions has been entirely changed. Fields of grain cover the sides, and in some places crown the summits of the mountains. The olive and the currant of Corinth replace everywhere the bramble and the thistle." Many of the water courses, which the Turks had allowed to generate swamps, have been brought back into their channels. The best farming implements are coming into use. In Elis, the ground is ploughed by steam-power. The olive, fig and orange plantations give the country along the Gulf of Corinth the appearance of a vast garden. Many millions of trees for new plantations pass every year through the custom-house of Athens.

The Minister of Finance reported, in 1861, that the annual yield of currants before the revolution was 10,000,000 pounds; in 1861 it was 65,000,000 pounds. The number of stremmes—the stremme is a little less than our acre—in vineyards had increased from 25,000 to 700,000; the number planted with fig-trees from 50,000 to 300,000; the number planted with olive trees from 2,300,000 to 7,500,000; and the value of silk production from 650,000 drachmes, in 1840, to 5,430,000 drachmes in 1861. (The drachme is equal to 16½ cents.)

The quantity of land susceptible of cultivation which has thus far failed to receive it, is 11,748,000 stremmes. This fact, however, is not discreditable to the Greeks. The country is able to sustain five times its present population, and nearly thirty thousand families are engaged in the more lucrative pursuits of commerce. The Government supports an agricultural school and model farm and a commission, attached to the Department of the Interior, is constantly busy in the development of this source of national wealth.

Before tilling lands, the Greeks had to build themselves houses. The Turks made thorough work with the homes of rebels. Forty towns have been rebuilt, and more than six hundred villages. Eleven new towns have been founded.

The sum spent on this gigantic reconstruction was not less than two hundred and fifty million drachmes. Mr. Rangabee catalogues the public buildings of Athens, and says it is "a city which unites the natural beauties of the East with the comforts of western civilization."

Greece never possessed good roads, and the Turks left her nothing but pathways. The present Government has constructed nineteen good roads, at a cost, exclusive of labor, of 2,164,724 drachmes. It has also built twenty-two bridges. There are, as yet, no railroads. Telegraph lines connect Athens with Constantinople, and, by way of Trieste, with western Europe.

By the carelessness of the Turks the Greek seaports had become choked up and inaccessible. Under the new rule eight of them have been cleared and deepened. Five new ports have been opened. Four light-houses have been built. The straits of Euripus have been widened and made safe for vessels.

In 1821 the Grecian marine consisted of 421 vessels; in 1865 Greece possessed 1,160 large ships manned by more than 35,000 seamen. A Greek company at Syra has established a line of steamboats. One of these boats, the *Panhellenion*, has become historic. The commercial code of Greece has been framed on the best European models. The Greek navy, ridiculously small for the defence of the country in time of war, has yet cleared the coasts of the pirates which had become under the listless government of the Turks an intolerable nuisance.

In 1862 73,300 vessels entered, and 85,758 vessels cleared from, the ports of Greece. Of the latter number 11,209 were for foreign ports.

In 1851 the imports were valued at 25,819,702 drachmes and the exports at 13,851,202 drachmes. In 1862 the imports were valued at 49,109,666 drachmes and the exports at 32,323,726 drachmes. The commerce with this country is still small. Mr. Rangabee says it could be largely increased by direct trade. At present everything passes through the hands of English factors. There are now five chambers of commerce in Greece. The National Bank pays large dividends. The insurance companies of Syra and Patras are doing well.

In domestic manufactures Greece has not as yet accomplished very striking results. She has but twenty-two factories which use steam-power. The manufacture of wines promises to become important. More than one thousand articles made by Greek artificers were exhibited this summer at Paris.

Greece spends a much larger sum, in proportion to her entire revenue, upon education, than Saxony or Prussia. In 1866 she had 942 public schools for boys, containing 44,102 pupils, 39 private schools for boys, containing 2,140 pupils; 125 public schools for girls, containing 8,481 pupils, and 41 private schools for girls, containing 2,082 pupils. Besides these, she has unorganized schools containing 8,000 pupils, and orphan schools containing 158 pupils. These schools give a primary education. A grade above them are the national schools, 123 in number, with 294 teachers and 6,575 pupils, and private schools with 1,030 pupils. The next grade brings us to the gymnasias, or colleges, 16 in number, with 100 professors and 1,908 pupils. All these professors are doctors of philosophy. The system is completed by the university, with its 4 faculties, 12 fellows, 56 professors and 1,200 undergraduates. There are also, in Athens,

a polytechnic, a theological and a business institute, and several learned societies. The university has valuable museums. Twenty-nine newspapers are published in Athens; forty-nine in other Greek towns. There are also numerous periodicals, and the book-trade is steadily increasing.

We must refer our readers for a detailed explanation of the working of the government as well as for a very interesting sketch of brigandage in Greece, to the pamphlet itself. It remains to notice the financial condition of the Greek kingdom. The total revenue in 1833 was 7,721,269 drachmes; in 1860, 24,242,760 drachmes. The budget of 1867 will exceed 34,000,000 drachmes, which is at the rate of 23.43 drachmes per head. The expenditures in 1860 amounted to 26,074,493 drachmes. The total public debt is 340,000,000 drachmes. Mr. Rangabee says Greece will pay this debt as soon as she is enabled to do so by new loans, effected at the expense of her productions, and by the extension of her boundaries.

This is the present condition of Greece. In thirty-five years she has doubled her population, quintupled her revenue, rebuilt her towns and hamlets, greatly increased the area of cultivated land, extended widely her commerce, adopted an excellent educational system and created a literature. Her defects, in Mr. Rangabee's opinion, arise from the fact that her growth is repressed. On the day that Greece expands to her rightful boundaries these defects will begin to disappear.

#### THE CHAMPAGNE TRADE.

The Chamber of Commerce at Rheims has lately issued its usual annual report on the wine trade of Champagne for the year from April 1, 1866, to April 1, 1867, from which we learn that on the first named date the then existing stock in the cellars was 37,608,616 bottles, representing 313,405 hectol. During the year 10,283,886 bottles were sent direct to foreign countries, and 3,218,343 bottles disposed of to wholesale wine merchants, retailers, and consumers in France, making a total of 13,502,229 bottles, to which must be added 7,575,430 bottles sent from one manufacturer to another in the department of the Marne, thus bringing up the gross amount of the movement of the year to 21,077,657 bottles. The consumption and sale of the article have been steadily increasing since 1845, when the Chamber of Commerce first began to publish their valuable annual reports. In that year the quantity sold in France and exported to foreign countries was only 6,635,652 bottles; in 1853 it had risen to 10,407,039 bottles, in 1864 to 12,786,134 bottles, in 1866 it was 13,196,132 bottles, and in 1867—as above stated—it had risen to 13,502,229 bottles, having more than doubled itself since 1845. During that period the total sales in France and abroad have amounted to 214,145,043 bottles, and calculating the average price at only 3 fr. per bottles, it gives an aggregate value of 642,435,129 fr., or about £25,680,000. In former years the home consumption of champagne in France was about equal to one half of the quantity exported, but it has not increased in proportion to the magnified production, and latterly has been seldom more than one-third. The report adds—"It is calculated that besides the above there are more than 5,000,000 bottles of other wines sold and consumed under the spurious name of champagne, of which nothing is genuine but the corks and the labels; and still more frequently, and to a much greater extent, both the brand on the corks and the printed labels are produced by the most audacious fraud and barefaced forgery."

## COMMERCIAL CHRONICLE AND REVIEW.

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Counterfeit Seven-Thirties—The Money Market—General Trade—Rates of Loans and Discounts—Stock Exchange—Government Securities—Consols and American Securities at London—Receipts, Shipments and General Movement of Coin and Bullion—Course of Gold at New York—Course of Foreign Exchange.

As we go to press we learn that through advices received from the Treasury Department, Washington, that a counterfeit has been discovered upon the \$1,000 Seven-Thirty notes of the June issue. The notes had been received from the Sub-Treasury at New York, but to what amount could not be definitely stated until all the receipts had been examined. It is stated, however, that \$120,000 had been found at the time the advices were sent. After the information had been communicated to the brokers it was discovered that \$90,000 were in the hands of dealers, and to-day further amounts have been found to be in the hands of banks, bankers and others which will carry up the amount in the hands of Wall street firms to about \$150,000. We append an official account of the points in which the spurious notes are considered to differ from the genuine; but at the same time it must be said that the extended comparison of notes made in Wall street to-day has shown that some of these *criteria* are not to be entirely relied upon. In some of the points in which the spurious notes are said to differ from the genuine, the good notes differ from each other. So far as respects the execution of the notes, there appears to have been discovered but one point in which the counterfeit differs from all other notes with which it has been compared, viz., that in the letter u, in the word "Treasurer," under F. E. Spinner's signature, the letter is made with a hair line at the commencement in the good note; while there is no such stroke in the bad. The counterfeit differs, however, in all cases from the genuine notes in the seal, which in the former is larger. The seal on the false notes, however, is found to correspond exactly with that used on greenbacks. Putting these circumstances together, the theory is held by many dealers that the plates of the Treasury have been used, and also the Treasury seal, but that one appropriated for legal tenders instead of the one employed in printing the Seven-Thirties. The officers of the Treasury Department, however, regard the note as a thorough counterfeit; and it is said that the experts of the American Bank Note Company hold the same opinion.

It is impossible to estimate what amount of these notes have been put in circulation. Many of those received here are traced to the West, and as such a large amount is in the hands of the New York dealers, it is to be presumed that the entire issue is very extensive. The Treasury has not yet made any reclamation upon the parties from whom it has received the notes; but the officers of the Department anticipate having to take such action when the whole amount received has been ascertained. The dealers very generally consider that their responsibility ceased when the Treasury accepted the notes, upon the same principle as a party receiving payment for a spurious check from a bank is not subject to reclamation. We presume that the matter will be tested in the courts in the event of the Treasury attempting to return the notes to those from whom it has taken them.

It is stated that seventy thousand dollars of these well-executed counterfeit

Seven-Thirty Bonds had been presented at the Treasury Department for redemption. All of them were of the second series, due June, 1868, of the thousand dollar denomination, and either of the A or B series, ranging within the following named thousands, viz.: 68,000, 140,000, 160,000 and 180,000. The result of the examination as ordered by the Solicitor of the Treasury is—

First—The seal is slightly larger than the genuine, the red ink with which it is stamped is a shade lighter, and the points projecting from the seal are blurred and a little longer than the genuine.

Second—The imprint at the bottom of the face of the bond is set different in the margin, there being more space given it than the genuine.

Third—The borders of the coupons which are attached to the counterfeit bonds are larger, while the red figures are finer than in the genuine.

Fourth—The borders of the ornamental lathe work are blurred and somewhat indifferently executed.

Fifth—The figures denoting the bond are slightly uneven, while the blue ink in which they are printed is a duller blue, and lacks the metallic, glossy appearance of the genuine.

Sixth—There is, to the experts, a difference in the vignette—the female figure on the face of the bond—the lines are not so well shaded, nor is the black ink so well distributed.

The money market during September exhibited the activity usual at the Fall season. The demand for currency, to move the crops at the West, has been unusually large, owing not only to the abundance of the yield, but equally to the high prices of breadstuffs and the anxiety of the farmers to realise. The receipts of grain at the lake ports have been about double the quantity for the same period of 1866; and the Western banks have been taxed to their utmost in satisfying the wants of the movers of this large amount of products. The discounting and re-discounting of produce paper, and the withdrawal of the balances of Western banks have caused an outflow of currency, legal tender and bank, of probably fully \$25,000,000 within the month; and at the close the efflux continued in undiminished volume. The financial operations of the Government have also had an important bearing upon the course of the money market. At one period its sales of coin and of bonds largely exceeded its disbursements in the purchase of Seven-Thirty notes, resulting in a temporary withdrawal of currency from the banks which, together with the westward drain, and the calling in of funds from some of the national depositories, had the effect of producing a very sharp stringency, and a full 7 per cent. rate on demand loans. The city merchants have suffered inconvenience from this condition of things. As the banks could employ their balances at 7 per cent. on call they have been indifferent about discounting, and have confined their operations in paper to the best of their depositors. Large amounts of choice paper have been thrown upon the street at  $7\frac{1}{2}$  @ 9 per cent.: while fair average names have sought buyers in vain at much higher rates.

The general trade of the city has been steady, but characterised by a cautious movement. The imports have been moderate compared with those of the same month last year, while the exports have shown a tendency toward larger figures. The decline in cotton caused, during the latter half of the month, a contraction of operations in cotton manufactures, and at the close holders showed a disposition to adjust prices to the reduced value of raw material. The woolen trade shows a



considerable aggregate movement; but values have been depressed by the prospect of heavy accumulations having to be forced off at the close of the season.

The following are the rates of loans and discounts for the month of September :

RATES OF LOANS AND DISCOUNTS.

	Aug. 9.	Aug. 16.	Aug. 23.	Aug. 30.
Call loans.....	3 @ 4	4 @ 6	7 @—	7 @—
Loans on Bonds and Mortgage.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos.....	6 @ 6½	6 @ 6½	7 @ 7½	7 @ 7½
Good endorsed bills, 3 & 4 mos.....	6½ @ 7½	6½ @ 7½	8½ @ 10	8½ @ 10
" " single names.....	9 @ 10	9 @ 10	10 @—	10 @—
Lower grades.....	11 @ 15	12 @ 18	12 @ 20	12 @ 20

The stringent tendency of the money market caused a sudden realizing movement at the Stock Exchange, and stocks held at the beginning of the month with much confidence in a rise corresponding to the improved earnings of the roads, were sold at a decline ranging from 5@10 per cent. The fall, however, was followed by a steady reaction; but the month closed with a very feverish market. The total sales of stocks at both boards amounted to 1,627,139 shares against 1,446,873 shares in September, 1866.

The following table shows the volume of shares sold at the New York Stock Exchange Board and the open Board of Brokers in the three first quarters and in the month of September, and the total since January 1 :

VOLUME OF SHARES SOLD AT THE STOCK BOARDS.

	1st Quarter.	2d Q'ter.	3d Q'ter.	September	Since Jan. 1.
Bank shares.....	7,815	11,153	9,070	1,819	29,857
Railroad ".....	5,079,773	4,910,368	4,265,793	1,446,063	14,255,929
Coal ".....	67,800	25,405	40,568	4,551	133,773
Mining ".....	133,857	91,188	99,594	10,564	307,639
Improv't ".....	81,269	103,435	63,649	11,659	253,853
Telegraph ".....	117,973	133,118	264,493	78,759	555,584
Steamship ".....	228,933	315,873	132,450	40,645	577,006
Expr's &c ".....	17,674	104,480	117,379	45,468	389,453
At New York Stock Ex.....	2,073,406	2,074,351	2,013,966	633,149	6,180,733
At Open B'd.....	3,652,443	3,540,659	2,996,930	1,004,980	10,190,433
Total 1867.....	5,724,849	5,615,010	5,010,896	1,637,129	16,350,756
Total 1866.....	6,173,087	5,842,110	4,333,801	1,446,573	16,347,996

United States securities have declined somewhat from the late high quotations, in sympathy with the pressure in the money market. The price of Five-Twenties in Europe have declined 1 per cent. within the month; but, notwithstanding, a fair amount of bonds has been exported.

The amount of Government bonds and notes, State and city bonds, and company bonds, sold at the New York Stock Exchange Board in the three first quarters and in September, and the total since January 1, is shown in the statement which follows :

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

	1st quarter.	2d quarter.	3d Quarter.	September.	Since Jan. 1.
U. S. bonds.....	\$13,702,650	\$40,383,350	\$43,394,050	\$17,340,000	\$102,875,050
U. S. notes.....	4,792,490	3,817,600	10,331,550	1,692,750	13,461,630
St's & city b'ds.....	8,894,100	7,801,650	7,954,800	2,297,800	24,440,050
Company b'ds.....	2,216,200	2,367,700	2,184,000	841,000	6,767,900
Total 1867.....	\$24,595,480	\$53,705,300	\$63,742,900	\$22,171,550	\$152,044,630
Total 1866.....	\$3,600,500	\$6,414,350	\$4,060,100	12,739,850	111,054,950

The closing prices of Consols and certain American securities (viz. U. S. 6's, 5-20's 1862, Illinois Central and Erie Railway shares and Atlantic and Great

Western consolidated bonds) at London, on each day of the month of September, are shown in the following statement :

## COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—SEPTEMBER, 1867.

Date.	Cons for mon.	American U.S. 5-20s	consols. Ill.C. sh's.	Erie sh's.	A. & G.W.	Date.	Cons for mon.	American U.S. 5-20s	consols. Ill.C. sh's.	Erie sh's.	A. & G.W.
Sunday.....1	94%	78%	77%	44%	23%	Friday.....30	94%	78%	77%	41%	22%
Monday.....2	94%	78%	77%	44%	23%	Sat'day.....21	94%	78%	77%	43%	21%
Tues.....3	94%	78%	77%	45%	23%	Sunday.....22	94%	78%	77%	41%	22%
Wedne.....4	94%	78%	77%	45%	23%	Monday.....23	94%	78%	77%	41%	22%
Thurs.....5	94%	78%	77%	45%	23%	Tues.....24	94%	78%	77%	41%	22%
Friday.....6	94%	78%	77%	45%	23%	Wedne.....25	94%	78%	77%	40%	22%
Sat'day.....7	94%	78%	77%	45%	23%	Thurs.....26	94%	78%	77%	40%	22%
Sunday.....8	94%	78%	77%	45%	23%	Friday.....27	94%	78%	77%	40%	22%
Monday.....9	94%	78%	77%	44%	21%	Sat'day.....28	94%	78%	77%	40%	22%
Tues.....10	94%	78%	77%	44%	21%	Sunday.....29	94%	78%	77%	40%	22%
Wedne.....11	94%	78%	77%	44%	21%	Monday.....30	94%	78%	77%	40%	22%
Thurs.....12	94%	78%	76%	45%	21%	(No report)					
Friday.....13	94%	78%	77%	44%	21%	Highest.....	94%	78%	77%	45%	23%
Sat'day.....14	94%	78%	76%	45%	21%	Lowest.....	94%	78%	76%	39%	21%
Sunday.....15	94%	78%	76%	45%	21%	Range.....	0%	1%	1%	6%	1%
Monday.....16	94%	78%	77%	45%	23%	Low { Since Jan. 1 }.....	90	67%	72%	35%	21
Tues.....17	94%	78%	77%	44%	23%	Hiz { Since Jan. 1 }.....	96	75%	82%	46%	26
Wedne.....18	94%	78%	77%	44%	23%	Ran { Since Jan. 1 }.....	6	7%	10%	10%	5
Thurs.....19	94%	78%	77%	44%	23%						

The lowest and highest quotations for U. S. 6's (5 20 years) of 1862 at Frankfurt in the weeks ending Thursday have been as follows :

	Sept. 5.	Sept. 12.	Sept. 19.	Sept. 26.
Frankfort.....	76% @ 77%	76% @ 77%	76% @ 76%	76% @ 76%

The daily closing prices of the principal government securities at the New York Stock Exchange Board are shown in the following statement :

## PRICES OF GOVERNMENT SECURITIES AT NEW YORK, SEPTEMBER, 1867.

Day of month.	6's, 1861. Coups.	Reg. 1862.	6's, (5-20 yrs.) 1863.	Coupon 1865.	new. 1867.	5's, 10-40 yrs. 1860.	7-30. 2d ar.
Sunday 1.....	112	111	114%	109%	111	108%	99%
Monday 2.....	112	111	114%	109%	111	108%	99%
Tuesday 3.....	112	111	114%	109%	111	108%	99%
Wednesday 4.....	112	111	114%	110	111%	108%	99%
Thursday 5.....	112	111	114%	110	111%	108%	99%
Friday 6.....	112	111	114%	110	111%	108%	99%
Saturday 7.....	112	111	114%	110	111%	108%	99%
Sunday 8.....	112	111	114%	110	111%	108%	99%
Monday 9.....	112	111	114%	110	111%	108%	99%
Tuesday 10.....	112	111	114%	110	111%	108%	99%
Wednesday 11.....	112	111	114%	110	111%	108%	99%
Thursday 12.....	112	111	114%	110	111%	108%	99%
Friday 13.....	112	111	114%	110	111%	108%	99%
Saturday 14.....	112	111	114%	110	111%	108%	99%
Sunday 15.....	112	111	114%	110	111%	108%	99%
Monday 16.....	112	111	114%	110	111%	108%	99%
Tuesday 17.....	112	111	114%	110	111%	108%	99%
Wednesday 18.....	112	111	114%	110	111%	108%	99%
Thursday 19.....	112	111	114%	110	111%	108%	99%
Friday 20.....	112	111	114%	110	111%	108%	99%
Saturday 21.....	112	111	114%	110	111%	108%	99%
Sunday 22.....	112	111	114%	110	111%	108%	99%
Monday 23.....	112	111	114%	110	111%	108%	99%
Tuesday 24.....	112	111	114%	110	111%	108%	99%
Wednesday 25.....	112	111	114%	110	111%	108%	99%
Thursday 26.....	112	111	114%	110	111%	108%	99%
Friday 27.....	112	111	114%	110	111%	108%	99%
Saturday 28.....	112	111	114%	110	111%	108%	99%
Sunday 29.....	112	111	114%	110	111%	108%	99%
Monday 30.....	112	111	114%	110	111%	108%	99%
First.....	112	111	114%	110	111%	108%	99%
Lowest.....	110	110	113%	109	109%	107%	99%
Highest.....	112	111	115%	110	111%	108%	99%
Range.....	1%	1%	1%	1%	2	1%	0%
Last.....	110	110	113%	109	109%	107%	99%

The quotations for Three-years' Compound Interest Notes on each Thursday of the month have been as shown in the following statement :

PRICES OF COMPOUND INTEREST NOTES AT NEW YORK, SEPTEMBER, 1867.

Issue of	September 5.	Sept. 12.	Sept. 19.	Sept. 26.
October, 1864.....	118% @ 119%	119	@ 119%	119% @ 119%
December, '64.....	117% @ 118%	118	@ 118%	118% @ 118%
May, 1865.....	116% @ 117%	117	@ 117%	117% @ 117%
August, 1865.....	116	@ 116%	116% @ 116%	116% @ 116%
September, '65.....	115% @ 115%	115	@ 115%	115% @ 115%
October, 1865.....	115	@ 115%	115	@ 115%

The first series of figures represents the buying and the last the selling prices at first-class brokers' offices.

The following are the closing quotations at the regular board on each Friday of the last six weeks.

	Aug. 23.	Aug. 30.	Sept. 6.	Sept. 13.	Sept. 20.	Sept. 27.
Cumberland Coal.....	...	...	...	...	...	29
Quicksilver.....	27%	28%	28	...	24%	25%
Canton Co.....	...	...	47%	47%	44%	48%
Mariposa pref.....	...	...	80	...	...	18
New York Central.....	105	105%	106%	108%	108	107%
Erie.....	69%	70%	9%	70	61%	61%
Hudson River.....	124%	124%	125%	128	129%	127%
Reading.....	104	104	109%	108%	101%	101%
Michigan Southern.....	81	83%	89%	88%	76	81%
Michigan Central.....	110	110	111	111	109	109
Cleveland and Pittsburg.....	93	94	82	...	81	79
Cleveland and Toledo.....	...	126%	126	120	128	128%
Northwestern.....	46%	46%	46	48%	39%	41%
preferred.....	68%	70%	70%	70%	64%	65%
Rock Island.....	103%	103%	104%	104	105%	103%
Fort Wayne.....	108%	108%	106	106%	100%	102%
Illinois Central.....	119	...	120%	...	121	...

The receipts and shipments of coin and bullion at New York in the three first quarters, and in the month of September, with the total since January 1, have been as shown in the following statement :

RECEIPTS AND SHIPMENTS OF COIN AND BULLION AT NEW YORK.

	First quarter.	Second quarter.	Third quarter.	Month of September.	Since Jan. 1.
Rec'ts f'm California.....	\$6,109,861	\$6,999,555	\$9,340,979	\$3,611,440	\$23,350,935
Imp'ts f'm for'n ports.....	409,077	1,147,619	999,010	342,160	2,495,706
Total receipts.....	\$6,518,938	\$8,047,174	\$10,179,989	\$3,953,600	\$24,745,901
Exp'ts to foreign ports.....	6,568,958	18,038,709	17,511,359	2,276,801	42,106,966
Excess of exports.....	\$48,020	\$9,981,535	\$7,331,600	\$.....	\$17,361,155
Excess of receipts.....	.....	.....	.....	676,799	.....

The following statement shows the amount of receipts and exports in September and since January 1, for seven years :

	—California Receipts—		—Foreign Imports—		—Foreign Exports—	
	Sept.	Since Jan. 1.	Sept.	Since Jan. 1.	Sept.	Since Jan. 1.
1867.....	\$2,611,440	\$23,350,935	\$342,160	\$2,495,706	\$2,276,801	\$42,106,966
1868.....	2,884,432	30,537,107	5,193,473	6,688,570	594,550	1,540,006,390
1869.....	2,040,446	12,751,750	194,994	1,805,459	2,475,973	22,670,116
1864.....	1,069,159	8,854,530	53,230	1,889,144	2,385,398	34,935,962
1863.....	750,259	9,604,319	79,231	1,223,121	3,690,387	22,846,496
1862.....	2,641,918	16,655,651	121,318	944,677	3,076,919	42,894,139
1861.....	2,815,243	28,226,408	1,231,014	35,136,730	14,766	3,219,814

The following formula furnishes the details of the general gold movement at New York :

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1st quarter.	2d quarter.	3d quarter.	Sept.	Since Jan. 1.
In banks at commen't.....	\$13,185,222	\$8,522,809	\$7,768,996	\$7,271,595	\$13,185,222
Rec's from California.....	6,109,861	6,999,555	9,340,979	2,611,440	23,350,935
Imp's f'm for'n ports.....	409,077	1,147,619	999,010	342,160	2,495,706
Coin int'at p'd by U.S.....	10,888,308	17,793,025	19,644,897	2,716,959	43,273,73
Total repo'd sup'y.....	\$30,542,463	\$34,962,908	\$27,593,083	\$12,942,154	\$95,206,748

	1st quarter.	2d quarter.	3d quarter.	Sept.	Since Jan. 1.
Exp. to for'n ports.....	\$8,555,958	\$18,085,709	\$17,511,939	\$2,976,801	\$42,106,956
Customs duties.....	28,170,628	27,185,836	24,865,965	11,967,834	96,022,459
Total withdrawn.....	\$36,727,586	\$45,271,545	\$42,377,907	\$14,944,635	\$137,129,415
Excess of rep'd sup'y.....					
Excess of withdraw'ls.....	\$9,195,128	\$10,851,785	\$14,584,175	\$1,802,471	\$50,922,690
In banks at close.....	8,532,609	7,768,996	9,496,163	9,496,163	9,496,163

Deficit in reported supply, made up from unreported sources..... \$17,717,732 \$18,630,783 \$24,080,338 \$10,798,634 \$60,418,868

The price of gold has fluctuated between 141@146½. The unsettled condition of European politics has had a strong tendency to sustain the premium, but the sales of coin by the Treasury, and the anticipation of the payment of \$25,000,000 of coupons in November have checked the upward movement. The Treasury sales and the payment of the Ten-Forty coupons have resulted in a gain of over two millions in the amount of specie in the banks. The exports of specie for the month reach the moderate total of \$2,276,801.

The statement which follows shows the daily fluctuations in the price of American gold coin at the Exchange Gold Room during the month of September:

## COURSE OF GOLD AT NEW YORK, SEPTEMBER, 1867.

Date.	Open'g	Lowest	High'et	Closing	Date.	Open'g	Lowest	High'et	Closing
Sunday.....	1				Saturday.....	31	142½	143½	143½
Monday.....	2	141½	141½	141½	Sunday.....	22			
Tuesday.....	3	141	141	141½	Monday.....	23	143	143½	143½
Wednesday.....	4	141½	141½	142	Tuesday.....	24	143½	143½	143
Thursday.....	5	143½	143½	143½	Wednesday.....	25	143½	143½	144
Friday.....	6	143½	143½	143½	Thursday.....	26	143½	143	143½
Saturday.....	7	143½	143½	143	Friday.....	27	143½	143½	143½
Sunday.....	8				Saturday.....	28	143½	143	143½
Monday.....	9	143½	143½	144½	Sunday.....	29			
Tuesday.....	10	143½	143½	144½	Monday.....	30	143½	143	143½
Wednesday.....	11	144½	144	145½					
Thursday.....	12	146½	145½	146½	Sept. 1867.....	141½	141	146½	143½
Friday.....	13	145½	144½	145½	" 1866.....	147½	143½	147½	146½
Saturday.....	14	144½	144½	144½	" 1865.....	144½	143½	145	144
Sunday.....	15				" 1864.....	245	191	254½	193
Monday.....	16	144½	144	144½	" 1863.....	127	126½	143½	141½
Tuesday.....	17	144½	144½	144½	" 1862.....	116½	116½	124	123½
Wednesday.....	18	144½	144½	145½	" 1861.....	100	100	100	100
Thursday.....	19	145½	144	145½					
Friday.....	20	143½	143½	143½	Since Jan. 1, 1867.....	132½	132½	146½	143½

The tendency of foreign exchange has been steadily downward, the decline in rates for the month being about ½ per cent. The strictly moderate remittances of importers have been, to a considerable extent, provided for by bills drawn against shipments of Five-Twenties.

The following table shows the course of foreign exchange, daily, for the month:

## COURSE OF FOREIGN EXCHANGE (60 DAYS)—AT NEW YORK—SEPTEMBER.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....	108½@109½	518½@515	40½@41	78½@78½	35½@36½	71½@72
2.....	108½@109½	518½@515	40½@41½	78½@78½	35 36½	71½@72½
3.....	109½@109½	518½@515	40½@41½	78½@78½	35 36½	71½@72½
4.....	109½@109½	518½@515	40½@41	78½@78½	35½@36½	71½@72
5.....	109½@110	518½@515	40½@41	78½@78½	35½@36½	71½@72
6.....	109½@110	518½@515	41 41½	78½@78½	35 36½	72 72½
7.....						
8.....						
9.....	109½@110	518½@515	40½@41	78½@78½	35½@36½	71½@72

Days.	London.	Paris.	Amsterdam.	Bremen.	Hamburg.	Berlin.
10.....	109% @ 110	518% @ 515	40% @ 41	78% @ 78	35% @ 36	71% @ 72
11.....	109% @ 110	516% @ 515	41 @ 41	78% @ 78	36 @ 36	72 @ 72
12.....	109% @ 110	516% @ 515	41 @ 41	78% @ 78	36 @ 36	72 @ 72
13.....	109% @ 109%	518% @ 515	40% @ 41	78% @ 78	35% @ 36	71% @ 72
14.....	109% @ 109%	518% @ 515	40% @ 41	78% @ 78	35% @ 36	71% @ 72
15.....						
16.....	109% @ 109%	518% @ 515	41 @ 41	78% @ 78	35% @ 36	71% @ 72
17.....	109% @ 109%	517% @ 516	41 @ 41	78% @ 78	35% @ 36	71% @ 72
18.....	109% @ 109%	517% @ 516	41 @ 41	78% @ 78	36 @ 36	71% @ 72
19.....	109% @ 109%	517% @ 516	41 @ 41	78% @ 78	36 @ 36	71% @ 72
20.....	109% @ 109%	517% @ 516	41 @ 41	78% @ 78	36 @ 36	71% @ 72
21.....	109% @ 109%	517% @ 516	41 @ 41	78% @ 78	36 @ 36	71% @ 72
22.....						
23.....	109% @ 109%	517% @ 516	41 @ 41	78% @ 78	36 @ 36	71% @ 72
24.....	109% @ 109%	517% @ 516	41 @ 41	78% @ 78	36 @ 36	71% @ 72
25.....	109% @ 109%	517% @ 516	41 @ 41	78% @ 78	36 @ 36	71% @ 72
26.....	109% @ 109%	517% @ 516	41 @ 41	78% @ 78	36 @ 36	71% @ 72
27.....	109% @ 109%	518% @ 517	41 @ 41	78% @ 78	36 @ 36	71% @ 72
28.....	109 @ 109%	521% @ 517	40% @ 41	78% @ 78	35% @ 36	71% @ 72
29.....						
30.....	109% @ 109%	518% @ 517	40% @ 41	78% @ 78	35% @ 36	71% @ 72
Sep.....	109 @ 110	521% @ 515	40% @ 41	78% @ 78	35% @ 36	71% @ 72
Aug.....	109% @ 110%	518% @ 512	40% @ 41	78 @ 79	35% @ 36	71% @ 72
July.....	109% @ 110%	517% @ 511	40% @ 41	78 @ 79	36 @ 36	71% @ 72
Jun.....	109% @ 110%	518% @ 511	40% @ 41	78% @ 79	36 @ 36	72 @ 72
May.....	109% @ 110%	530 @ 510	40% @ 41	78% @ 80	36 @ 36	71% @ 72
Apr.....	108% @ 109%	523% @ 512	40% @ 41	78% @ 79	35% @ 36	71% @ 72
Mar.....	108 @ 109%	525 @ 515	40% @ 41	78 @ 79	35% @ 36	71% @ 72
Feb.....	108% @ 109	523% @ 515	40% @ 41	78% @ 79	36 @ 36	71% @ 72
Jan.....	108% @ 109%	530 @ 513	41% @ 41	78% @ 79	36 @ 36	72 @ 72

Since Jan. 1.... 108 @ 110% 525 @ 510 40% @ 41% 78 @ 80 35% @ 36% 71% @ 72%

The annual meeting of the Clearing-House Association was held the past week. The transactions for the past year amounted to \$29,520,122,921 35, and the average daily transactions to \$96,818,580 91. The total transactions since the organization of the Clearing-House on the 11th October, 1853, a period of fourteen years, reach the immense aggregate of \$187,890,467,794 68, all of which transactions have been done without loss or error. The subjoined table shows the aggregate for each year :

Year ending Oct. 1.	Exchanges	Balances.
1854.....	\$5,750,455,987 06	\$297,417,493 69
1855.....	5,362,912,098 88	289,694,137 14
1856.....	6,906,812,823 47	334,714,489 33
1857.....	8,333,233,718 06	365,812,901 69
1858.....	4,756,664,396 09	314,233,910 60
1859.....	6,448,005,956 01	363,964,683 56
1860.....	7,231,143,056 69	380,642,428 37
1861.....	5,915,742,753 05	553,368,944 41
1862.....	6,871,443,591 30	415,530,331 46
1863.....	14,967,597,848 60	677,628,432 61
1864.....	24,067,196,655 93	886,719,204 93
1865.....	30,032,884,341 69	1,035,765,107 63
1866.....	23,717,146,914 09	1,066,126,106 35
1867.....	23,675,159,473 20	1,144,963,451 15
Total.....	\$179,965,393,113 71	\$7,925,174,681 97

## JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

### NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5. ....	\$257,562,460	12,794,892	32,763,779	202,533,554	65,026,121	488,967,787
January 12. ....	253,985,458	14,612,477	32,825,103	202,517,606	63,346,370	605,132,006
January 19. ....	256,033,223	15,365,307	33,854,928	201,800,115	63,235,368	530,040,028
January 26. ....	251,674,801	16,014,007	32,967,198	197,982,076	63,430,559	568,822,364

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
February 2	251,364,355	16,332,981	32,395,347	200,511,596	65,944,541	512,407,258
February 9	250,368,835	16,157,257	32,777,000	198,341,385	67,628,993	508,526,533
February 16	253,181,328	14,799,626	32,956,309	196,078,362	64,642,940	455,833,823
February 23	257,822,994	13,513,455	33,006,141	198,420,347	63,153,895	443,574,088
March 2	261,166,436	11,679,881	33,294,438	198,018,914	63,014,195	466,534,539
March 9	262,141,458	10,868,123	33,409,811	200,248,527	64,532,440	544,173,256
March 16	263,029,973	9,968,722	33,496,688	197,988,504	63,812,039	496,558,719
March 23	259,400,315	9,143,913	33,519,401	194,375,615	60,904,958	472,02,878
March 30	255,182,364	8,524,699	33,669,195	188,480,250	63,459,811	459,860,602
April 6	254,470,037	8,133,813	33,774,573	188,861,369	59,021,775	531,836,184
April 13	250,102,178	8,856,229	33,702,047	182,861,236	60,292,515	523,923,462
April 20	247,561,731	7,622,535	33,648,571	184,090,356	64,006,916	447,614,375
April 27	247,737,881	7,404,304	33,601,285	187,674,341	67,920,351	446,484,422
May 4	250,871,558	9,909,177	33,571,747	195,721,072	70,587,407	559,860,118
May 11	253,683,829	14,989,590	33,595,869	200,343,332	67,996,639	524,318,769
May 18	257,961,874	15,567,252	33,634,301	201,436,364	68,828,501	503,675,782
May 25	256,091,905	14,068,687	33,697,252	193,673,345	60,562,440	431,738,622
June 1	262,791,514	14,617,070	33,747,039	190,386,143	58,459,827	442,676,585
June 8	250,477,293	15,890,038	33,719,088	184,730,325	55,932,117	461,734,216
June 15	246,328,465	12,556,889	33,707,199	180,317,763	57,994,294	460,908,602
June 22	243,640,477	9,899,585	33,638,171	179,477,170	62,816,193	442,440,804
June 29	242,547,954	7,768,966	33,542,580	186,213,257	70,174,755	492,944,356
July 6	246,361,297	10,853,131	33,669,397	191,524,312	71,196,473	494,081,900
July 13	247,913,009	12,715,404	33,653,869	197,372,063	72,495,703	521,259,463
July 20	249,580,255	11,197,700	33,874,943	199,426,962	73,441,301	491,890,952
July 27	251,343,830	8,737,894	33,596,859	200,608,856	74,605,840	481,097,226
August 3	254,940,016	6,461,949	33,459,117	201,158,754	75,098,792	468,021,746
August 10	253,437,340	5,311,997	33,563,378	199,408,705	76,447,431	499,868,035
August 17	253,232,411	5,920,557	33,669,757	194,046,591	69,073,793	414,288,517
August 24	250,897,679	6,028,535	33,736,249	188,744,101	64,960,630	421,496,637
August 31	247,877,662	7,271,595	33,715,128	190,892,315	67,923,571	386,591,548
September 7	250,234,560	7,967,619	33,783,172	195,182,114	66,667,445	441,707,385
September 14	254,180,537	8,184,946	34,015,228	193,080,775	65,176,903	514,068,737
September 21	254,794,067	8,617,498	34,056,442	185,803,939	57,709,385	592,142,360
September 28	251,918,751	9,496,163	34,147,269	181,439,410	55,991,526	600,086,710
October 5	247,934,369	9,368,603	34,025,521	178,447,422	56,853,585	570,187,624

## PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5	\$20,309,064	52,312,217	903,663	10,858,520	41,308,327
January 12	20,006,255	52,628,401	983,290	10,880,577	41,022,421
January 19	19,448,099	53,457,807	977,548	10,851,595	30,048,645
January 26	19,363,374	52,168,473	890,553	10,894,683	39,001,779
February 2	19,269,128	55,35,130	871,564	10,420,868	39,592,712
February 9	19,659,250	52,834,329	873,614	10,529,982	39,511,595
February 16	18,892,747	52,673,130	867,110	10,529,972	40,060,717
February 23	17,837,598	51,894,721	841,232	10,586,484	38,546,013
March 2	18,150,657	51,979,173	816,848	10,511,600	39,267,383
March 9	17,624,706	51,681,463	822,655	10,572,066	37,314,672
March 16	16,965,618	50,58,394	858,022	10,580,911	3,528,001
March 23	16,071,730	50,679,400	807,418	10,611,532	34,150,286
March 30	15,856,948	50,880,306	602,148	10,601,615	33,796,595
April 6	15,829,745	50,998,221	64,719	10,645,367	34,527,693
April 13	16,188,407	51,293,776	546,695	10,647,224	35,020,580
April 20	16,582,296	51,611,441	435,535	10,639,021	36,234,870
April 27	16,737,901	51,890,959	332,817	10,639,896	37,371,064
May 4	17,196,558	52,064,267	286,053	10,639,953	38,172,169
May 11	17,278,919	52,474,868	408,762	10,630,581	38,220,823
May 18	16,770,491	53,826,380	402,978	10,630,581	37,778,738
May 25	16,019,180	53,536,170	369,133	10,635,530	37,352,144
June 1	16,881,109	52,747,308	334,293	10,637,423	37,352,614
June 8	16,880,730	53,158,124	346,615	10,642,590	37,174,269
June 15	16,300,010	53,192,040	368,961	10,046,296	37,333,279
June 22	15,964,494	53,968,441	373,308	10,642,224	36,616,247
June 29	16,105,611	53,588,063	365,187	10,641,311	37,077,456
July 6	16,022,675	52,420,272	461,951	10,641,301	37,585,226
July 13	16,234,914	52,602,252	419,299	10,641,770	38,102,418
July 20	16,608,860	53,150,569	371,744	10,637,651	37,529,640
July 27	16,862,112	53,104,475	333,118	10,632,762	38,094,542
August 3	16,733,198	53,437,840	307,055	10,637,761	36,861,477
August 10	15,909,195	53,117,569	304,979	10,635,510	36,364,835
August 17	15,797,146	53,549,449	317,339	10,636,354	36,459,821
August 24	16,882,616	53,399,090	314,242	10,636,354	36,322,855
August 31	15,717,909	53,724,687	307,658	10,636,354	36,458,539
September 7	16,349,658	53,776,452	279,714	10,636,794	36,363,247
September 14	16,060,733	53,792,303	252,691	10,632,737	36,327,303
September 21	15,845,493	53,540,601	226,528	10,638,744	35,153,605
September 28	15,513,784	53,655,569	272,536	10,639,976	35,494,213
October 5	15,597,404	53,041,100	258,308	10,637,921	

## BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

	Loans.	Specie.	Legal		Deposits.	Circulation-	
			Tenders.			National.	S
January 7.....	\$97,009,343	1,183,451	17,083,837		40,634,618	24,580,387	51
January 14.....	98,461,778	1,334,300	16,899,35		40,946,318	24,997,446	51
January 21.....	95,298,933	1,078,100	16,594,09		38,679,604	24,375,163	30
January 28.....	97,891,339	1,058,839	16,816,481		39,219,341	24,716,597	30
February 4.....	97,742,461	958,569	16,394,604		32,708,953	24,691,075	30
February 11.....	97,364,163	873,896	1,102,479		39,474,369	24,686,663	30
February 18.....	96,949,473	929,940	15,398,333		38,900,500	24,765,480	30
February 25.....	95,337,900	779,403	15,741,046		37,898,963	24,953,605	30
March 4.....	95,050,737	953,887	15,978,103		38,316,573	24,675,787	30
March 11.....	92,078,975	695,447	15,719,479		36,713,063	24,846,631	16
March 18.....	93,156,486	568,194	16,370,979		36,751,733	24,809,533	29
March 25.....	92,661,060	516,184	16,557,905		36,751,735	24,738,723	29
April 1.....	91,732,347	435,113	17,12,432		37,056,898	24,843,376	29
April 8.....	91,679,549	456,751	16,860,418		37,358,775	24,851,533	29
April 15.....	91,712,414	376,343	16,815,355		37,918,595	24,933,819	29
April 22.....	92,473,815	342,713	16,549,598		38,307,543	24,832,200	29
April 29.....	92,353,922	339,854	16,936,564		37,837,099	24,811,437	29
May 6.....	92,671,149	539,878	16,571,736		38,721,769	24,794,333	29
May 13.....	92,438,114	517,597	16,532,431		38,504,761	24,808,999	29
May 20.....	92,633,587	507,806	16,499,319		37,874,859	24,838,469	29
May 27.....	92,339,077	441,073	16,883,361		37,132,051	24,805,360	29
June 3.....	92,694,935	571,526	17,173,901		37,096,894	24,735,794	29
June 10.....	93,438,167	486,767	16,767,854		36,033,716	24,804,153	29
June 17.....	93,735,428	511,095	15,719,795		36,099,933	24,771,773	29
June 24.....	92,951,163	470,544	15,758,898		36,531,139	24,768,947	29
July 1.....	92,996,703	617,456	16,055,141		37,475,837	24,797,323	29
July 8.....	91,712,414	915,493	15,085,466		38,251,040	24,801,323	29
July 15.....	95,046,458	833,466	15,897,838		38,640,431	24,771,683	29
July 22.....	95,096,51	650,303	15,437,635		38,333,613	24,744,391	29
July 29.....	96,534,314	361,873	15,543,401		38,548,722	24,653,749	29
August 5.....	96,367,558	472,045	15,51,084		38,398,450	24,655,075	29
August 12.....	97,093,873	412,217	15,196,701		38,232,576	24,670,853	29
August 19.....	96,901,637	365,127	14,697,154		36,902,686	24,613,921	29
August 26.....	96,945,437	396,576	15,175,433		35,790,634	24,707,736	29
September 2.....	97,019,818	400,680	15,296,533		35,810,808	24,734,146	29
September 9.....	97,735,719	510,564	14,674,569		35,966,160	24,733,967	29
September 16.....	97,923,433	453,029	13,423,822		35,690,369	24,817,759	29
September 23.....	97,023,197	467,016	13,864,103		35,193,753	24,801,364	29
September 30.....	96,408,055	452,839	13,987,463		34,933,636	24,960,394	29
October 7.....	96,377,109	417,073	13,046,359		35,394,933	24,955,565	249

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The following advertisements appear in our advertising pages this month:

**MERCANTILE.**  
 Little's Fire & Burglar-Proof Safes—198 B'way  
 Lewis Audendried & Co.—110 Broadway—Anthracite and Bituminous Coal.  
 A. B. Sands & Co.—139-141 William St.—Drugs  
 Duryea's Malacca—166 Fulton street.  
**BANKERS & BROKERS.**  
 Duncan, Sherman & Co.—Cor. Pine & Nassau.  
 L. P. Morton & Co.—30 Broad Street.  
 Tenth National Bank—336 Broadway.  
 Ninth National Bank—363 Broadway.

Lockwood & Co.—94 Broadway.  
 Barstow, Eddy & Co.—36 Broad St.  
 Gilmore, Dunlap & Co.—Cincinnati.  
 DeWitt, Kittle & Co.—88 Wall St.  
 Vermilye & Co.—44 Wall St.  
 Eugene Kelly & Co.—36 Wall St.  
 Simon De Visser—52 Exchange Place.  
**INSURANCE.**  
 Fidelity Insurance Co.—17 Broadway.  
 Marine—Great Western Insurance Co.  
 Fire—Hope Fire Ins. Co.—92 Broadway.

# THE MERCHANTS' MAGAZINE

AND

## COMMERCIAL REVIEW.

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DECEMBER, 1867.

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### THE DOMINION OF CANADA AND THE RECIPROCAL TRADE.

Absorbed as we are in the regulation of our own internal affairs, after the derangements of a great war, it is not surprising that we should overlook the importance of cultivating advantageous relations with our neighbors. It is nevertheless a fact we can ill afford to ignore that on our northern frontier we have a young nationality, rapidly growing in population and rising into commercial importance. Our misfortunes have indirectly advantaged Canada; for while the war has augmented the burthens of our people and diminished the profits of industry, our neighbors have escaped these ill fortunes and thus gained a higher vantage ground in competing with us for the markets and the surplus population of the Old World. The Dominion of Canada now occupies the same position, in respect to foreign trade, we occupied in 1795, while its population is about 600,000 less. Compared with our rapid growth, its increase in population may appear trivial, but its progress, nevertheless, is equal to our own at the same stage of our history. Judging from the progress of the provinces since 1860, it is not to be deemed among the improbabilities of the future that fifty years hence the population of the united provinces may equal that of the United States at the date of our last census. It is estimated by the Canadian authorities that since 1861 the population of all the provinces combined has increased from 3,300,000 to about 4,000,000; and although this increase may not be considered in itself as specially important yet it indicates a ratio of progress which, at no very remote period, is destined to give to our neighbors a commanding national importance. The following statement shows the area of the respective provin-



ces, their populations in 1861 and the estimated population in 1867, as published in the Canadian reports :

## AREA AND POPULATION.

	Area sq. m.	Population, 1861			Population est. Jan 1, 67.
		Catholic.	Foreign.	Total.	
Ontario (U. Can.).....	131,280	256,141	464,133	1,396,091	1,502,066
Quebec, (L. Can.).....	210,130	943,253	93,641	1,111,566	1,288,680
New Brunswick.....	27,105	85,238	43,881	252,047	295,084
Nova Scotia.....	18,660	86,231	31,522	330,867	368,781
Existing Dominion.....	277,045	1,373,913	653,173	2,090,551	2,754,801
Prince Edward.....	2,100	35,862	13,257	80,857	91,448
Newfoundland.....	40,200	57,314	12,414	124,266	130,000
Projected Dominion.....	419,345	1,465,979	678,843	2,295,706	2,976,844

The commerce of the Dominion is large compared with its population. The combined imports and exports of the former Province of Canada, for the last fiscal year, amounted to \$105,000,000; which is equivalent to about \$64 per head of population. In 1860 the foreign commerce of the United States averaged \$27 per capita. This comparison shows great vigor and prosperity on the part of our neighbors. The standing of the new Dominion in respect to tonnage and foreign commerce is shown by the following statement :

## COMMERCE AND TONNAGE; AVERAGE FIVE YEARS, 1861-65.

	Tonnage.		Commerce.		Shipping owned '65.
	Cleared.	Entered.	Exports.	Imports.	
Canada .....	933,194	941,381	\$36,081,436	\$40,493,535	\$230,429
New Brunswick.....	721,737	674,603	4,738,923	7,166,630	309,605
Nova Scotia.....	772,017	929,929	6,794,259	10,647,193	363,068
Existing Dominion ..	2,426,948	2,545,913	47,669,618	58,307,358	903,192
Prince Edward.....	173,657	151,405	1,223,269	1,432,560	29,549
Newfoundland.....	123,319	148,684	5,427,331	5,313,416	87,622
[Projected Dominion.....	2,751,944	2,846,151	54,318,218	64,959,334	1,020,764

The tonnage above given for Canada is the seaward tonnage; besides which there cleared from inland ports to the United States on the average of the same five years 3,291,069 tons, and entered at inland ports from the United States 3,144,207 tons. This is exclusive of ferry navigation.

Thus far the Provinces have conducted their finances with commendable economy. Their total debts amount to about \$75,000,000; an aggregate, it is true, equal to the whole debt of the United States seven years ago; but yet less than one-fifth the rate per capita of the present Federal and State debts of this country. The total governmental expenditures of the Provinces are, in round numbers, \$15,000,000; which, with a population of four millions, amounts to a burthen of \$3 75 per head of the population. Our own Federal taxation at present averages \$13 95 per capita, to say nothing of our State burthens. As illustrating the finances of the several sections of the Dominion, we present the following statement of receipts, expenditures and debts :

## REVENUE, EXPENDITURES, DEBT, ETC., 1865, (EXCLUSIVE OF LOAN ACCOUNT.)

	Receipts.		Expenditures.		Public debt.
	Customs & excise.	Total.	Interest.	Total.	
Canada .....	\$6,982,716	\$10,425,269	\$3,768,773	\$11,534,691	\$61,744,651
N. W. Brunswick.....	775,941	1,070,804	360,586	1,168,074	5,821,445
Nova Scotia .....	1,047,991	1,517,306	264,358	1,470,306	5,637,458
Existing Dominion.....	8,787,548	13,023,169	4,413,707	14,173,071	73,193,554
Prince Edward.....	163,648	217,723	17,870	214,396	161,580
Newfoundland.....	427,509	482,480	49,744	579,453	1,161,564
Projected Dominion.....	9,378,705	13,723,361	4,481,327	14,966,920	74,516,678

In reviewing the resources and condition of the Dominion we have purposely kept in view our own relative position in the respective details, because it appears to be thought good national policy to exclude our neighbors to a certain extent, from commercial intercourse with the United States. The physical conditions of Canada correspond very closely with those of the most active and prosperous sections of our own country. Its natural conditions for trading in the products of the forest, the field and the sea also compare favorably with our own; while as respects governmental burthens—a matter bearing very essentially upon the inducements to both labor and capital—it has important advantages over ourselves. Can it then be considered wise statesmanship to shut ourselves out from intercourse with a people thus circumstanced, and drive them as competitors into other markets where we are ourselves sellers? So homogeneous are the interests of the two countries that there has long been a latent feeling among our people in favor of the annexation of the Provinces. One motive of the repeal of the Reciprocity Treaty was an idea that the Canadians might thereby be made to feel their dependance upon our trade, and to infer hence the desirableness of political union. Events, however, have proved that the means we selected were ill-adapted to the end sought. Canada has suffered little, while a heavy penalty has fallen upon some of our own interests. The imposition of a heavy duty upon timber has caused severe injury to our shipbuilding interest, otherwise subjected to embarrassing disabilities; while it has placed a premium on shipbuilding at St. Johns and in the ports of Great Britain. The returns of the former Province of Canada show that during the last fiscal year their imports increased six millions, and that the increase was entirely with Great Britain, while the purchases from the United States were below those of 1865-66; indicating that the diversion of the exports of the Province to other countries is attended with an increase of its purchases from such countries. The exports of the Province show a decline of about five millions upon 1865-66, the prospect of the abrogation of the treaty having induced large purchases by our people to save the subsequent import duties, but they are, at the same time, about fifteen millions in excess of the figures of 1864-5, showing that our neighbors are by no means dependent upon us for a market for their products. It was certainly a most unwise policy which led to the abrogation of the treaty. The fact of our being able, under the agreement, to exchange a much larger amount of products than had proved possible previously, was a sufficient evidence of its advantage to both parties, and no stronger argument for its continuance needed to be advanced, for ever exchange implies a mutual profit. Now, however, we are beginning to see the results of our act; and yet, in this year's trade returns we only have a slight indication of what we may expect in the future. The natural course of Canadian trade is to this country: but as we have built a wall around ourselves, and thus obstructed the natural channel, a new one is being forced. The movement at first was hardly perceptible, but is at length beginning to indicate its course; and let it once work out for itself another route, and it will require more than the restoration of the reciprocity treaty to restore it. We have a good illustration of this idea in the course of Western trade, which formerly sought the seaboard by the way of New Orleans. The war shut up the

nomical administration of its affairs, a thorough enforcement of the Internal Revenue laws, and with no unnecessary appropriations by Congress, the whole of the currency interest and floating indebtedness could be paid by the time specie payments are to be resumed, and the entire debt, if we have no war, within twenty years.

The resumption of specie payment will be to the consumer equal to a reduction of the tariff of forty per cent., as he will save, in the cost of the goods, the premium it now takes to purchase the gold to pay for them; and as the redemption of the legal tenders will cease at the end of the five years, a further reduction of the tariff could be made.

It may be asked why the banks, with no circulation of their own, should be required to redeem the circulation of the Government? Because their location and facilities would make them the best agents the Government could use.

To establish sub-treasuries all over the country, to afford equal facilities, would require a large increase of Government offices and great expense, and would tend to centralise the power in the Government, and give the banks really no right to have any voice in deciding the necessity of an increase in the circulation.

Now, let us see what the prospects are of resuming specie payment under the present banking system. The National Bank circulation being redeemable in legal-tenders, it devolves upon the Government to provide the coin to redeem its circulation. Conceding that no financial system can be sound or safe, unless based upon that, whose value is unchangeable, and which is recognized throughout the civilized world as the true standard of values, we cannot expect to reach that stability and prosperity so essential to the development of our resources, until we have placed our system of finance upon this standard. The question then arises how this object can be accomplished. I can see but two ways. The first is, for the Government to accumulate sufficient gold in the Treasury to justify the redemption of the circulation now out. This must result in a rapid advance in the price of gold, which is needed for duties, and in its attendant evil, inflation, and a sudden and disastrous reaction upon the resumption of specie payment. To save these inflated values, I doubt not a run would be made upon the Treasury, taking the time of the payment of the interest, as the most favorable moment, to such an extent as would deplete it of every dollar in less than a week's time.

The second way is to go on and contract the circulation to such a point as it can be readily and surely met by the gold that can be accumulated without seriously affecting the market. This course must inevitably result in such stringency in the money market, as will necessitate the enforcement of sales of merchandise and securities at any price, in order to realize to meet engagements; all will be sellers, and the importer having no purchasers for his goods, must cease his importations and allow the goods now in bond to remain, and the Government, instead of obtaining gold from its custom duties to redeem its bills, will find it difficult to pay the interest upon its indebtedness. Already the cry is loud and earnest for more circulation, and any further considerable contraction must result in disaster and ruin. Under this state of affairs the burden of taxation will become doubly oppressive, and the people, seeing no prospect of relief, will be driven to *repudiation* as the only remedy left them.

The next question that presents itself is—Is it the present policy of the Government to redeem the legal-tenders in specie at all? Such would not appear to be the intention, if the following extracts from the letter of the Secretary of the Treasury, dated October 7th, 1867, are to be taken as an indication. He states—"The United States notes were issued under the pressure of a great necessity, and are, by authority of Congress, being rapidly withdrawn from circulation. No more can be issued under existing laws, nor can I believe that any considerable number of the members of Congress would favor an additional issue for any purpose whatever, much less for the purpose of paying bonds in violation of the express understanding under which they were negotiated."

"The policy of contracting the circulation of United States notes by Congress, and being steadily pursued by the Secretary, should of itself, even if the honor of the nation were not involved in the question, satisfy holders that Five-Twenty bonds will not be called in and paid before maturity in a depreciated currency."

It is very evident, from the foregoing, that the policy is to retire all the legal-tenders, and leave to the National Banks the entire circulation; and should their present issue be found insufficient, as it will be, to transact the business they will be authorized to increase it, with still further profit to themselves.

What assurance have we that the banks will resume specie payment, when all of the legal-tenders are withdrawn from circulation, other than the general supposition that the matter will regulate itself? It certainly will not be found in the result already exhibited. Some fifty millions have now been withdrawn, and instead of the premium on gold having been correspondingly reduced, it is some ten per cent. higher than it was before the contraction commenced. Under this policy, with the National Bank circulation increased to five hundred millions—the amount considered necessary to transact the business of the country by some of our best financiers—we may abandon all thought of resuming specie payment, and console ourselves with the flattering idea, that because this currency is secured by Government bonds it is "the best the world ever saw."

Shall the receipts of the Internal Revenue be used to retire the legal-tenders, instead of reducing the national interest-bearing indebtedness? Shall the people be borne down with taxation to retire a circulation which the Government alone should furnish? Shall the old banking system be revived, to be periodically followed by distrust and suspension? Or, shall we have a system that will reduce the national indebtedness three hundred millions at once, lighten the burden of taxation, and give us a sound and stable currency, based on gold?—are the momentous questions herewith presented.

This plan will accomplish the following results:

*First.*—It will cancel three hundred millions of the coin interest indebtedness.

*Second.*—It will redeem, within the five years, three hundred millions of the legal tender notes in gold.

*Third.*—It will virtually cancel four hundred millions of the floating indebtedness, by retaining that amount of the United States notes

bearing no interest for perpetual circulation, which are now being retired at the rate of four millions a month.

*Fourth.*—It will enable the Government to reduce the taxes at least forty-eight millions annually, that amount being now taken from the internal revenue receipts, to retire the legal tenders. As this sum is considerably more than is now received from the tax on incomes, that, the most objectionable feature of our tax system, could be dispensed with.

*Fifth.*—It will enable Government to cancel one hundred millions more of the coin interest indebtedness, should the four hundred millions prove insufficient for the business of the country, as probably it will.

*Sixth.*—It will enable the Government, through its agents, the Banks, to resume specie payment at the end of the five years, as stated.

*Seventh.*—It will violate no obligation of the Government, and will open the avenues of trade throughout the whole country, by the confidence it will give to all.

By what other plan can the national indebtedness be reduced seven hundred millions, and the taxes forty-eight millions, annually; or such favorable and important results be produced?

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### OUR DEBTS AND RESOURCES.

On former occasions we have remarked upon our largely increased taxation, with the purpose of enforcing upon our legislators the necessity for the strictest economy in all appropriations for Federal, State and municipal governments. A long and costly war with the indefinite issue of paper money has engendered a spirit of extravagance which must be checked. Statements of our present burdens tend to this end; they convey a forcible, practical lesson which is much needed at this time. And yet, notwithstanding the usefulness of such statements, incorrect inferences are sometimes drawn from them. Because we are in debt some jump to the conclusion that we are bankrupt. We notice for instance the tables we prepared and published sometime since, showing the rates of taxation in our leading cities, recently copied by a correspondent of the *London Times*, who called them official, and based arguments upon them to show our inability to pay our debts. It is hardly necessary to say that such conclusions find no justification in the facts stated. We admit that we are in debt, and, compared with anti-war times, very heavily in debt, and we insist that there is great need for economy; we claim too that our tax machinery is very unphilosophical and cumbersome; and yet our ability and disposition to pay all just obligations are beyond question. The experience of the last two years in raising revenue, and consolidating and reducing our Federal debt, bring out in strong light the resources and capabilities of the country. It was a question in the minds of Europeans in 1864 whether a democratic people would submit to be taxed; no one doubts

it now. It was argued then that our burden was more than we could bear, and yet we have paid all our expenses, and reduced our aggregate debt from 2,874 millions in the fall of 1865, to 2,491 millions as given in the last statement. It was claimed that though we might work through our long debt, our short obligations would surely try us; but, on the contrary, since 1865 the temporary loans and debt certificates have disappeared from the schedule altogether, the greenback currency has been curtailed from 433 millions to 357 millions, and the Seven-Thirties from 830 millions to 334 millions, as also appears in the last monthly statement. When we remember that this is the history of the period immediately succeeding a long war, and among a people unused to taxation, and with no experience in raising large revenues, all will admit that we hardly deserve to be called bankrupt.

Nor are our city and State taxes more than we can very easily, and if they are necessary, very willingly bear. All that our people wish to be convinced of is that they are not being plundered, and that their public servants are economizing their resources. The latter, they insist, shall be done and the former avoided if possible. A moment's reflection as to the aggregate taxable property in New York State shows that with honesty and economy in the future there is no ground for fear. We cannot, however, agree with a recent writer on our State finances, who attempts to show that a debt is not a debt, and the inference from whose remarks is that we pay no taxes. In a former article, before referred to, we gave tables proving very decidedly that taxation among us is no myth but a veritable reality. And yet the resources of the State, both in the actual aggregate of taxable capital, and in the productive industry of the population, are fully ample to sustain the burden. The assessors have but to do their duty thoroughly, to obey the laws of the State just as they read, in regard to making assessments and an amount of taxable property would be found that would surprise everybody. The assessed valuation of such property is 1866 amounted to \$1,639,432,651. Nobody can doubt that the real value is three times that sum. A moment's examination of the State census of 1865 will make our assertion more clear and difficult of contraverting.

The total number of dwellings enumerated is 594,045, the value of which was estimated at \$977,121,378; besides 66,114 to which no value was computed. If their value is reckoned in the same ratio, the sum total would be about \$1,080,000,000. It is quite unnecessary to remark that the dwellings enumerated could not be purchased at a fair sale for an amount equivalent to the entire assessed valuation of the State. The same census report gives us the value of farms in the State at \$920,349,331; of live stock \$127,072,554; of tools and implements \$21,181,099½—a total of \$1,068,602,984½. It would not be far out of the way to declare that the property included in this category is also equivalent in value to the entire assessment of the State. The census also embraces returns from 24,527 manufacturing establishments, with a capital of \$227,674,187, and an aggregate value of product amounting to \$463,609,877. There are no data relating to the capital employed in commerce. Household furniture almost

wholly escapes assessment, yet its aggregate value must be fully two-thirds of the value of dwellings. In 1863 there were insured in the insurance companies doing business in this State, personal property to the value of \$1,471,000,000, which nobody needs to be informed was but a fraction of the entire amount. The aggregate of these few items is as follows :

Value of dwellings.....	\$1,080,000,000
Farms, &c.....	1,068 602 984
Manufactories.....	227,674,187
Insured personal property less amount actually assessed..	1,138,000,000
Total.....	<u>\$3,514,277,171</u>

It will be seen from these imperfect statistics that the probable value of property in the State of New York cannot be short of \$6,000,000,000, and estimating the net profit at 6 per cent., we should have as the annual net income of the State 360 millions—a fair estimate of the resulting profits after deducting all direct taxes. The gross income it is of course very difficult to indicate; but these figures show clearly enough that the production of the State is able to sustain a heavy volume of taxation.

Now, if we enquire as to the annual burden upon this property, we shall find that the State of New York is charged with a direct tax for expenses of Government, maintenance of schools, interest, etc., of about twelve millions of dollars, and that the local taxes probably amount to fifty millions more. It is proper, however, to remark that a considerable portion of this local taxation is for the purpose of defraying the principal of the indebtedness, and therefore cannot be regarded as permanent. In a short time the aggregate will be less. As to the internal revenue and customs duties—of the former the amount paid by each inhabitant of the United States in 1866 was \$8 80, and of the latter \$5 15, or a total per capita of \$13 95. According to the census of last year the population of this State was 3,831,777, and hence the total payments of the State to the United States government during that year was about 43 millions. Of course there is a larger amount than this credited to the State, but as the most of these payments ultimately come out of the consumer, the only correct mode of estimating the actual contribution is on the basis of population. The aggregate, therefore, of taxes, direct and indirect, paid by the people of New York in 1866 was about as follows :

State and school taxes.....	\$12,000,000
City, county and town taxes.....	50,000,000
Internal revenue and customs duties.....	53,000,000
Total taxes, direct and indirect, paid.....	<u>\$115,000,000</u>

This it will be seen would be equivalent to about two per cent. of the valuation above given. It is hardly necessary to add anything further to show the ability of the State to meet its obligations promptly and easily.

## MANUFACTURES, TARIFFS AND TAXATION.

Time fails to bring relief to our manufacturing industries. The depression which, for a time, was confined to one or two branches is now becoming general, and some anxiety is felt as to the result of the ordeal through which manufacturers are passing. We have repeatedly urged the importance of a limitation of production as the best means of bringing down the prices of labor and raw materials, and thereby enabling producers to meet the demand for goods at lower rates; but manufacturers appear to have regulated their production by the capacity of their works rather than by the capability of consumers; and the result has been that the supply of goods has been so far in advance of the demand as to place the determination of prices in the hands of buyers, causing upon many descriptions of goods very heavy losses. The current high prices of agricultural products, and the comparatively low prices of manufactures, suggests the conclusion that the war has left us with an undue proportion of the capital and labor of the country employed in manufactures, and an inadequate proportion engaged in the culture of the soil. Breadstuffs and animal food are essential to subsistence; and, though scarce and dear, they have had to be bought in about the usual quantity; but under such circumstances a large portion of the community are compelled to forego the supplying of other wants which contribute rather to comfort, luxury or adornment. This condition of things ought to have had its due weight with manufacturers, inducing them to produce with a moderation corresponding to the ability of consumers. They had, however, profited largely through a special demand for war purposes, and, without making due allowance for the cessation of this special consumption, have regarded the past consumption as the measure for the present.

This condition of things manufacturers have thought could be remedied by the adoption of a tariff largely excluding foreign manufactures from our markets. Repeatedly, the tariff has been changed to suit these views; but, in the face of duties intended to be prohibitory, the imports have largely increased and the value of domestic manufactures has steadily fallen. Yet notwithstanding the demonstrated futility of this expedient for keeping up the prices of goods, the manufacturers appear to have the same confidence in it as ever; for it is again proposed to apply to Congress for an increase of the duties on imports. At a recent meeting of the Manufacturers' Association of Detroit, the following resolution was adopted, and measures were taken for securing the co-operation of other kindred societies in holding a national convention of manufacturers at Cleveland, in December next:

*Resolved*, That the tariff on importations of foreign manufactures should be revised so as to well protect home industry against the unequal competition of the cheap capital and cheaper labor of foreign countries.

It is much to be regretted that it should be in contemplation to make any further demand of this character. With nothing to show in the way of beneficial results from repeated acts of protective legislation within the last five years, it is somewhat bold to ask Congress to repeat this fruit-



less experimenting again. Changes in tariffs are always embarrassing to business; and, in the present deranged condition of trade generally, some care should be taken not to add unnecessarily to the prevailing embarrassments. While the utmost possible consideration should be shown for such an important branch of our national interests, it must be remembered that measures cannot be adopted which must be detrimental to all others. Consumers generally and the non-protected interests have the same right to be protected against high prices as the manufacturers have to ask protection against foreign producers. Already, the duties on imports are very high; and there is no saying to what extent this may be carried if this periodical pressure upon Congress is to be in every case yielded to. Should an increase of customs duties again be awarded and the change prove as unavailing as other additions to the tariff within the last five years, what reason is there for supposing that Congress would not be asked to grant a still further increase of duties? We think, it is a fair representation of public sentiment on this question to affirm that the people have become tired of these perpetual petitions for relief and desire that the manufacturers should be left to feel that in future they must depend more upon their own prudent management and less upon Congressional aid. The result of a further increase of the tariff would be to encourage an increased production, tending to keep up high wages, and to prevent a due decline in raw materials, the radical error in management which has contributed very largely to the present depression of this interest.

There is, however, a relief which it is within the province of Congress to afford, and which may be granted upon the soundest principles and with advantage to the community at large. The taxes upon domestic manufactures are a serious burthen to our industries, and ought to be substituted by other and less embarrassing imposts. The duties amount to a heavy percentage upon the cost of the goods; and, by the charging of profit upon the consequent increased price, by each dealer through whose hands they may pass, involve a material increase of cost to the consumer. On some products, made from materials already taxed, the duty is exceedingly oppressive; and in not a few instances the assessing of the duties is accompanied with much inconvenience to the manufacturer, arising from disputes and delays; while, in all cases, the increase in the price of the goods tends to limit their consumption. There are large classes of goods which are consumed chiefly by the poorer classes, who have no choice but to reduce their purchases in proportion to the enhanced cost. In the production of some articles foreign materials have to be employed subject to a heavy import duty; and in such cases the taxation is duplicated, rendering it the more difficult for the manufacturer to compete with like foreign products. The duties on manufactures when first imposed, were only adopted as a ready measure for meeting the pressing exigencies of the war. They were defended upon the ground of necessity; but what was done upon reasons of temporary expediency has been allowed to pass without repeal, and can now be abrogated only by strong pressure. The country would support the manufacturers in an effort to secure the removal of this class of imposts, for the very practical reason that the result would be to cheapen goods, an argument just as important to the manufacturer as to the public

at large. On the contrary, no sympathy can be expected from the people in an attempt to gain a further advance in the tariff, for the reason that the professed object of such a measure is to enhance prices. A movement for the removal of the internal duties on manufactures has this great recommendation, that it coincides with the reactionary tendency of affairs toward lower prices, and that by cheapening products it so far facilitates that reduction in wages which is at present the great desideratum of our industries.

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## ON THE TARIFF AND THE PRINCIPLE OF TAXATION.

BY CHARLES H. CARROLL.

There is an argument against a tariff on imports that appears to have escaped the notice of thinkers and writers on public economy. It is that, regardless of the tariff or taxes of any sort, general prices conform to the volume of currency: so much currency makes or measures so much aggregate price for all the property and service seeking to be exchanged. Hence if one commodity employs, by reason of a tariff, more of the currency than it would employ without the tariff, some other commodity of equivalent natural value must employ so much the less, and yield in price accordingly; the low price of the unprotected article underpaying, as much as the high price of the protected article overpays, its producer in relation to its natural value.

Thus suppose the normal value, as determined by cost and supply and demand, *free of taxation*, be the same for 1,000,000 bushels of corn and 1,000,000 yards of cloth, the price being \$1 per bushel for corn and \$1 per yard for the cloth, and the Government then imposes an import duty of 25 per cent. on cloth. The effect will be to raise the price of the whole 1,000,000 yards of cloth, embracing both the foreign and domestic article, to \$1 25 per yard. Therefore, of the aggregate measure of \$2,000,000 for both commodities, the cloth presents a demand for \$1,250,000, and employs so much of the currency, leaving but \$750,000 for the corn, so that the corn falls to 75 cents per bushel, and the farmer as compared with the manufacturer is one fourth underpaid.

For the sake of simplicity I waive all consideration of the profit on the cloth duty to the jobber and retailer, which is so much additional tax paid by the consumer. By the "protection," whatever it amount to, the farmer is wronged, and doubly wronged; once in the abstraction of currency that should go to the price of his product, and again in the abnormal price that, as a consumer, he must pay for the cloth.

This distribution of the currency is an unavoidable result of the law of value in relation to money; for whatever may be the character or amount of the currency it can make only the same exchanges as a like sum of money, and it must, as the common instrument of exchange, follow the same channel of local circulation that would be occupied by a like volume of money—i. e., gold and silver.

The money of the world distributes itself among the nations according to the desirableness which constitutes the value of their respective pro-

ductions as objects of exchange, with no regard whatever to local taxation. It is attracted by low prices and repelled by high prices; anything tending to high prices drives it away.

A nation or a community cannot therefore increase its money by increasing its taxes or its expenses; it can do this only by increasing its capital, of which money forms a part, and it cannot *permanently* maintain a volume of mixed currency greater than its capital naturally demands of pure money for its instrument of circulation. Since, therefore, provision cannot be made for an increase of a nation's taxes by an increase of its money, or currency, the only way in which the currency can be provided to pay the additional price of an article unequally taxed is to take it from the price of some other article, and thus rob Peter to pay Paul. Were money capable of increase by tariff, or other taxation, industry and enterprise would lose their significance, and the accumulation of national wealth would be a mere matter of legislation, an idea that carries its refutation along with it.

It may not be possible to know the precise equivalents that are disturbed in their relations by a tariff, or by any other unequal tax. Of course there are many more bushels of corn than yards of cloth circulated and consumed in this country, and any reasonable estimate of the relative value of the corn and cloth that change hands in commerce is perhaps impossible. If 10,000,000 bushels of corn are equivalent in exchange value to 1,000,000 yards of cloth, then corn would lose but  $2\frac{1}{2}$  cents per bushel of its normal price by a tariff of 25 cents per yard on cloth. All that I propose to show by the foregoing example is that equivalents in circulating capital are perturbed, and thrown out of their natural and mutually advantageous relations, precisely to the extent that the tax upon them is unequal, *ad valorem*. To that extent the abnormal is cherished and rewarded at the cost of the normal produce—to that extent a tax levied to favor the production of an article that would not be produced without it must be paid out of the proceeds of some other article not so favored, the production of which is natural to the soil and industry of the country.

The amount of duties on imports gives no sort of indication of the pressure of a protective tariff on the industry and earnings of the unprotected classes. The whole of the annual imports does not probably exceed one-twentieth part of the money value of the annual productions of the United States, leaving out of view the immaterial value or services that leave no enduring product capable of being exchanged, which are, equally with the material values, subjects of indirect taxation through duties on imports for the benefit of the privileged classes. Thus the pay of the clergyman, the teacher, the lawyer, the physician, the actor, &c., is so much the less by reason of the abstraction of currency to provide extra pay for the producer of that which could be imported for less than the cost of the home product. Hence the burden of taxation on imports is by no means confined to the consumers of the imports taxed, and of the special commodities protected. Were it possible for a consumer to avoid the use of every article the price of which is augmented by the tariff, he could not escape the insidious tax levied upon his industry by the abstraction of currency from his use to force a production against the natural law of value.

There are then two separate burdens imposed on consumers by a tariff on imports—first, the price added to both the taxed and the protected commodities, the latter being many times greater than the former, which sum is paid affirmatively by the consumers of the products immediately affected thereby; and second, the sum of currency abstracted from the normal remuneration of all other industries but those protected by the tariff, which sum is paid negatively but not less certainly by the unprotected classes.

There can be no objection to low and natural general prices, because, with a normal currency, they must be the consequence of activity of production, an increase of wealth, and abundance of capital in relation to currency—in other words, a high value of money, which increases the exports of merchandise; but there is an insurmountable objection to low and unnatural special prices, made so by abstracting currency from the use of one producer to give it to another through legislation, for this is but a form of robbery.

It is my opinion that the noticeable general disinclination to agricultural labor in this country is largely owing to the fact that it is the great unprotected branch of industry here. It is underpaid that other industries may be overpaid. Notwithstanding the co-operation of natural forces, working for nothing here with greater power than anywhere else on the globe, the farmer finds relatively small pay for hard work, and men are enticed away from this invigorating and naturally profitable employment, to seek ventures in crowded cities, and unwholesome work in manufacturing towns, to which the intermeddling of Government gives an unnatural incentive and reward at the cost of agriculture. The result is the production of commodities that could be produced cheaper in money value, and with more public advantage in the spread of population, in the more extensive cultivation of the soil, the greater vigor, the better health, and the more general intelligence and happiness of the people, by a normal application of their industry, on the land and on the water, through the exchanges of an unshackled commerce.

It is no argument against this to say that the nation thrives. However it may check its thriving the task would be difficult for Government to prevent it. Such are the vast resources of the country in cheap and rich lands and inexhaustible mines—as the London *Economist* says, “the best things on the earth and under the earth”—accessible by many thousand miles of free navigation of rivers and lakes, a varied climate, favoring the production of almost everything that agriculture can furnish desirable to man, with ship timber, naval stores, forests of exportable lumber for house-building, numerous and secure harbors on an extended ocean coast; in short, all the most beneficent powers and capabilities of nature attracting immigration and co-operating with a high degree of intelligence, industry, and enterprise, among the laboring classes, what but madness on the part of the Government can prevent the advance of the nation in material prosperity? Yet nature triumphs over an adverse legislation at a vast and needless cost to individuals of wealth and peace of mind. Nowhere else under the sun is bankruptcy in trade so general, success in life so various and uncertain, and anxiety in families, and unhappiness in society on the whole, so great. We prosper in spite of the Government, which

ment for the purpose; and the energies of consumption it developed stimulated in like degree the vast energies of production in which, with special reference to the commodities most needed in war, no nation on the globe is more powerful than the United States.

So long as the capital of each producer is promptly replaced, that is to say, his present capital, which includes of course his invested capital and profits, the more consumption of his products, and the quicker the better, because the greater will be the employment of industry and the opportunities of saving, and the greater the national wealth. People argue on this subject as if capital were not consumed in peace. How long is it profitable to the producer of a finished article, or to the commerce of the country, to keep it unsold or unconsumed? Clearly until a buyer is ready to replace the capital it contains, and not a moment longer. It is only at the seat of war, where the means of reproduction are destroyed, that war, in the material or financial point of view, is necessarily unprofitable. Napoleon was careful to remove this from France—to fight on other soil than his own; so far he was a good political economist, and France never prospered more in wealth and population than during his wars against all the rest of Europe. Mankind people up to the means of maintenance, especially to the supply of food, and where these are steadily increasing population increases in like proportion, whether in war or peace.

No doubt the revolted States lost capital by the rebellion, since they used up and suffered the loss to a great extent of their means of reproduction; but the vast productive powers of the West and North were so stimulated at the same time that they have been enriched more than the South has been impoverished, and the national wealth, reckoning the negroes, before and since, as they always were, labor and not capital, is to my apprehension no less to-day, in the aggregate, than it would have been without the war.

I have not space in this article to discuss more fully the point of the relation of war to public wealth, and I offer these remarks upon it merely to give the reader assurance that a tariff or unequal taxation was not necessary for the conduct of the war that is just closed. I have acted with the Republican party in support of the fundamental Democratic principle of human freedom, but with a continual protest against their financial policy; and I maintain that the present abnormal condition of the national finances is owing not necessarily to the war, but to an unequal and unjust distribution of its burdens, and to an unpardonable ignorance of the nature of money and of the fundamental principles of economical science.

Instead of taxing the rich and the bank stockholders for their share of the cost of the war, Government has borrowed capital of the former, and granted to the latter the privilege of kiting, against public and private debt, a currency consisting of bank notes and book credits, mis-called "deposits," on which the people are obliged, from the necessity of the case, to lend their capital for nothing and pay interest on it besides, not for the benefit of the Government or of themselves, but for the benefit of the currency makers. These two classes, therefore, instead of being, like the rest of the people, payers of taxes, are made receivers of taxes, and the burden of supporting the war and a needless public debt has been thrown upon the poorer and the hard-working classes, who are the least able to

bear it. Of course this cripples their means of consumption, and, as they are the great consumers, their forced abstinence reacts upon production, crippling that and necessarily the general trade of the country. As a nation we are in the absurd and paradoxical position of having paid for the war to the last dime out of our own capital and at the same time we are owing for a great portion of it to certain of our own citizens, because we have neglected to collect from them their share of its cost. Such is the preposterous nature of the funding system.

### RAILROAD EARNINGS FOR OCTOBER.

The gross earnings of the under-mentioned railroads for the month of October, 1866 and 1867, comparatively, and the difference (increase or decrease) between the two periods, are exhibited in the following statement:

Railroads.	1866.	1867.	Increase.	Decr'se.
Atlantic and Great Western.....	\$541,491	\$477,523	\$.....	\$63,968
Chicago and Alton.....	380,823	490,108	69,785	.....
Chicago and Great Eastern.....	126,998	143,605	16,609	.....
Chicago and Northwestern.....	1,301,216	1,508,983	208,667	.....
Chicago, Rock Island and Pacific.....	422,128	558,900	136,077	.....
Erie.....	1,476,344	1,498,716	22,472	.....
Illinois Central.....	661,971	761,499	99,528	.....
Maricetta and Cincinnati.....	118,504	142,823	29,319	.....
Michigan Central.....	493,649	506,395	12,646	.....
Michigan Southern.....	496,655	529,435	42,780	.....
Milwaukee and Prairie du Chien.....	833,735	1,101,800	267,965	.....
Milwaukee and St. Paul.....				
Iowa and Minnesota Division.....				
Ohio and Mississippi.....	310,763	379,367	68,605	.....
Pittsburg, Fort Wayne and Chicago.....	757,441	765,568	8,069	.....
Toledo, Wabash and Western.....	436,065	406,766	.....	29,299
Western Union.....	100,303	119,537	19,234	.....
Total in October.....	\$3,331,478	\$3,346,057	\$1,019,446	\$.....
Total in September.....	7,178,425	8,443,865	1,270,430	.....
Total in August.....	6,619,650	6,973,228	353,578	.....
Total in July.....	5,967,356	5,754,795	.....	212,661
Total in June.....	6,706,446	5,815,741	.....	890,705
Total in May.....	6,402,267	5,907,650	.....	494,637
Total in April.....	5,473,127	5,813,738	339,611	.....
Total in March.....	5,593,523	5,639,601	46,078	.....
Total in February.....	4,664,526	4,798,978	134,453	.....
Total in January.....	5,378,441	5,413,437	34,996	.....
January—October, 10 months.....	\$63,315,768	\$68,875,900	\$1,560,132	\$.....
“ “ average.....	6,231,576	6,337,590	156,013	.....

By reason of the refusal of the St. Paul Company to furnish us the October earnings of their several lines separately, we have been compelled to give the earnings of the Wisconsin lines (usually reported by us in our monthly summary) and those of the line in Iowa and Minnesota (135 miles) as a whole. This somewhat deranges our tables, as the October mileage is so much larger than the mileage of the previous months of the year, and cannot be compared with those months in gross. The discrepancy, however, disappears in the subjoined table which shows the miles of railroad operated and the gross earnings per mile for the cor-

responding month of the two years 1866 and 1867, as deduced from the figures of the preceding statement:

Railroads.	Miles.		Earnings.		Differ'ce.	
	1866.	1867.	1866.	1867.	Incr.	Dec.
Atlantic & Great Western. ....	507	507	\$1,068	\$943	...	\$125
Chicago and Alton. ....	280	280	1,267	1,535	268	...
Chicago and Great Eastern. ....	224	224	567	641	74	...
Chicago and Northwestern. ....	1,032	1,145	1,163	1,327	164	...
Chicago, Rock Island & Pacific. ....	410	410	1,029	1,261	232	...
Erie. ....	798	775	1,860	1,934	84	...
Illinois Central. ....	708	708	965	1,075	140	...
Marletta and Cincinnati. ....	251	251	453	569	117	...
Michigan Central. ....	255	255	1,723	1,777	45	...
Michigan Southern. ....	534	534	948	1,029	81	...
Milwaukee & Prairie du Chien, 235. ....	740	740	1,127	1,325	208	...
Milwaukee and St. Paul, 870. ....						
Iowa & Minnesota Division, 135. ....						
Ohio and Mississippi. ....	340	340	914	1,116	202	...
Pittsburg, Ft. Wayne and Chicago. ....	468	468	1,618	1,635	17	...
Toledo, Wabash and Western. ....	531	531	887	781	...	56
Western Union. ....	177	177	567	676	109	...
Total in October. ....	7,365	7,365	\$1,147	\$1,370	\$123	\$...
Total in September. ....	7,130	7,220	1,007	1,170	63	...
Total in August. ....			928	966	38	...
Total in July. ....			837	797	...	40
Total in June. ....			941	805	...	136
Total in May. ....			896	818	...	80
Total in April. ....			768	805	37	...
Total in March. ....			785	781	...	4
Total in February. ....			654	664	10	...
Total in January. ....			754	749	...	5
January-October: 10 months. ....	7,144	7,224	\$3,723	\$3,890	\$107	...
average. ....			\$72.30	\$82.00	10.70	...

From these deductions it is very apparent that the increase shown in August and September has been continued on an enlarged scale in October. As compared with the earnings of the corresponding months of 1866, those of 1867 were in excess—in August \$38 per mile, or 4.09 per cent.; in September \$63 per mile, or 6.25 per cent., and in October \$123 per mile, or 10.72 per cent. The highest (October) of the year, and the lowest (February) compare together, and with the monthly average as follows:

	Earnings p mile.		Inc. in 1867.	
	1866.	1867.	Absolute.	Per ct.
October. ....	\$1,147	\$1,370	\$123	10.72
February. ....	654	664	10	1.57
Average. ....	873	883	11	1.23
October, above February. ....	493	606	113	22.92
average. ....	275	487	211	77.09

These figures certainly show that October, 1867, has been an extraordinarily prosperous month; indeed, the most prosperous as yet in the annals of American railroading. As indicating the commercial movement it assures us that the country generally is in a high state of activity, although in some branches of industry there may be a lack of vitality. The movement of the grain crops has, no doubt, contributed most largely to the sum total earned; but there is also a westward movement which will probably grow heavier as the season advances, and the grain excitement subsides, the Western consumers of merchandise having made sufficient money from the sale of their produce to warrant a liberal expenditure in the seaboard cities and manufacturing districts.

## THE GOLD MOVEMENT SINCE 1860.

To a country, with a depreciated paper currency, and desirous of an early return to a specie basis, it is a matter of no small consequence to ascertain what is its supply of the precious metals. *A priori*, it might be considered highly probable that during the last six years we should have parted with a considerable portion of our accumulation of gold. Our production of commodities was materially curtailed by the war; and the consequent advance in prices (beyond what was due to currency derangements) naturally opened our market to the products of foreign countries. We were deprived of the principal staple by which we have been wont to pay for our imports, and had not the usual supply of breadstuffs for exportation. With such a radical derangement in our foreign commerce, it would seem very natural to conclude that we should have to draw largely upon our accumulation of specie for liquidating the excess of imports over exports. A very general impression exists among our people that such has been the actual course of affairs, that we have thus lost a large amount of specie since 1860, and that consequently we have not at present an adequate basis for the resumption of specie payments, and cannot have until, by some legislative expedient, the efflux of specie from the country is checked.

The principal movements of the precious metals in the country are indicated in recorded returns, with sufficient precision to enable us to form a reliable estimate of the correctness of this opinion. The imports and exports of coin and bullion are officially recorded. The product in California, Arizona, Idaho and Oregon is represented by the registered receipts at San Francisco by Weils, Fargo & Co.; but to the recorded arrivals by that medium it is customary to add 10 per cent. to the receipts from the interior and 30 per cent. to the coastwise receipts for amounts brought personally by miners; and in giving below the product received at San Francisco we make that addition. Of the product in the new mining regions of Colorado and Montana there is no actual record. The yield in those districts is sent direct to the Atlantic; and during the last two years a considerable portion of the yield of Idaho also has taken this route. It is difficult to estimate the amount of treasure coming overland from these regions. During the last three years the product of Colorado and Montana has been quite important. The amount of gold from those territories, deposited at the mint and its branches, last year was \$6,523,000; and yet it is known that of the whole product less than one half finds its way to the mint. It is estimated by those most familiar with the treasure movement of these regions that the annual product is about \$15,000,000. Deeming this estimate somewhat sanguine, it may yet be very safely estimated that the receipts from Colorado, Montana and other mining districts at other points than San Francisco, since 1860, aggregate fully \$50,000,000, and this we adopt as an estimate safe beyond all dispute.

With these explanations we subjoin a statement of the domestic production, the imports and the exports for each of the last seven years;



the home yield being for the calendar year, ending December 31st, and the imports and ex-ports for the fiscal year ending June 30th:

## IMPORTS.

1861.....	\$46,300,000
1862.....	16,400,000
1863.....	9,500,000
1864.....	13,100,000
1865.....	7,200,000
1866.....	10,900,000
1867.....	22,900,000
Total imports, 7 years.....	\$125,000,000

## DOMESTIC PRODUCTION—PRODUCT RECEIVED AT SAN FRANCISCO.

1861.....	\$48,100,000
1862.....	54,800,000
1863.....	58,900,000
1864.....	61,800,000
1865.....	63,000,000
1866.....	57,000,000
1867 (partly estimated).....	60,000,000
Total receipts at San Francisco.....	\$402,600,000
Estimated total receipts at other points, 7 years.....	50,000,000
Total domestic production, 7 years.....	\$452,600,000

## EXPORTS.

1861.....	\$26,100,000
1862.....	36,800,000
1863.....	64,100,000
1864.....	69,800,000
1865.....	54,800,000
1866.....	86,000,000
1867.....	55,100,000
Total exports, 7 years.....	\$393,700,000

## RECAPITULATION.

Imports for seven years.....	\$125,000,000
Domestic production for seven years.....	452,600,000
Total supply for seven years.....	\$577,600,000
Exports for seven years.....	393,700,000
Gain in supply for seven years.....	\$183,900,000

It thus appears that, within the last seven years, our supply of gold has exceeded our importations by \$184,000,000. We must acknowledge considerable surprise at this result, but can conceive of noway in which its substantial accuracy can be impugned. There are considerations which justify the expectation that the precious metals would have accumulated during the period under review. Our gross exportation of coin and bullion, during the last seven years, has been almost exactly the same as for the preceding seven years; the shipments being for the respective periods \$393,700,000 and \$395,500,000; but we have received from foreign countries, during the seven years since 1860, \$125,000,000, while during the preceding seven years we imported only \$62,500,000. It thus appears that, since 1860, our net exports have been \$64,300,000 below the amount for the like number of years next

previous. Concurrently with this decline in the ratio of our net exports, we have had an increase in the domestic production. As the record of receipts at San Francisco was not kept with much precision previous to 1860, we cannot compare the movement since that year with that of the preceding seven years with strict accuracy. From a comparison of estimates, we take it to be quite safe to conclude that the receipts at that point for the last seven years average fully \$5,000,000 per annum in excess of those for the seven years ending with 1860. The overland receipts at the Atlantic ports from the new gold fields, which we have estimated at \$50,000,000 for the seven years, also form an important item in accounting for the large increase of supply. Putting together these several items—the decrease in net exports, the enlarged receipts at San Francisco, and the product of the new mines arriving at other points—we are enabled, from these considerations alone, to account for \$150,000,000 of the \$184,000,000 gain above exhibited.

The taxation upon the assays of bullion afford an important criterion of the current production of the precious metals in the country. It is to be assumed that in this, as in other departments of taxation, a portion of the duty (upon private assays) fails of being reported to the revenue officers; so that the official returns cannot be taken as representing fully the production. It appears, however, from the last Report on the Finances, p. 266, that, for the fiscal year 1866, \$488,337 of tax was collected upon assays of \$81,389,541 of bullion. Allowing for a certain amount assayed without paying the tax, it is scarcely supposable that the product of that year was less than \$85,000,000, which is \$9,000,000 in excess of the net exports of the year (a year of much the largest specie shipments in the history of the country), and \$47,000,000 in excess of the average net exports for the last seven years. This fact shows that we are producing the precious metals at a rate vastly in excess of our exportation, and taken together, with other considerations previously adduced, confirms the credibility of the result to which the above statistics have led us.

These facts show that so far from the supply of gold having been lessened during the war, it has been largely increased. It cannot, therefore, be urged against the resumption of specie payments that we have not an adequate metallic basis. Precisely where, or in what condition, this large amount of the precious metals is held it is not pertinent to our present purpose to enquire. The proof is incontestable that it is in the country; and it is reasonable to suppose that upon gold being again brought into regular use, a considerable portion of this increased stock would find its way into circulation, so as to supply the monetary wants of the country.

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## OUR RAILROAD SYSTEM.\*

BY THE HON. JOSIAH QUINCY, OF BOSTON.

The most superficial observer cannot fail to be struck with the extent of our railroads, with the excellence of much of their engineering, and with the vast motive power they are able to employ. Tunnels have been bored through mountains, viaducts carried over valleys, and the treacherous swamp has become firm set earth beneath the iron highway. With a double track any line of railway offers an almost unlimited capacity for the transportation of passengers and freight. No amount of traffic could well be offered, no concourse of passengers could well assemble, that a properly managed railroad could not accommodate. Why, then, are the trains comparatively empty and infrequent? The trader wishes to give his personal attention to the selection of his goods. The mechanic and laborer wish to go where labor is abundant and to return as soon as it is dull. The New Englander would like to go West and see what it is that feeds him, and send home from full granaries the supply for his family or town. The citizen of the West would like to go to New England and see who it is that clothes him, and, leaving his orders, receive many bales of clothing adapted to his market. The citizen of South Carolina would like to come to the North and learn how little animosity of feeling has survived the war. The enterprising young man in New York, fighting his way up from poverty, wanted to visit the South, to cultivate friendly relations and cultivate the chances of profitable trade. Intimate intercourse and easy mingling of the different sections of the nation is the true means for a permanent and sound reconstruction of the Union. The price of bread on the sea-board, the value of land in the West, the payment of our indebtedness to foreign nations in our own products, all call upon our railroads for reduced freights and reduced passage. To effect this, great arteries of trade and traffic must be controlled by the people for the people.

A paralyzing monopoly is exemplified in our present railway system\* and it is a monopoly that no increase in the number of railways can affect. Patentees and authors have a mild form of monopoly for a limited time. For a few years they are enabled to charge a high price for their inventions or books. Observe how these monopolies differ from a railway monopoly. Their time is limited and their sphere of operation contracted. In a few years the most important invention can be used by the public without any restriction, and until that time comes, if the price is too high, no one is compelled to use it. But how different is the case with railroads? The public must use them and pay the monopolists' price, not for a limited time, but for ever, if our present system is permitted to be permanent. For the State has authorized the directors of a railroad to conduct its business as may best conduce to their own ease and the interest of the shareholders. And so these directors may say to the public, "You have no complaint to make. You may travel about the country

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\* Read before the American Social Science Association, November 22, 1867.

in any other way you please. If you choose to try it, you had better take food for yourself and forage for your animal, and conveniences for camping out, for our railroads have destroyed all wayside inns and annihilated all rival lines of stages. Or, if you have a few superfluous millions, and can get a new charter through the Legislature, you may put down a new track by our side, when we will either buy you out or agree upon a common tariff and let the people pay tribute to two railroads instead of one!"

Seeing then how completely we are in the power of railway managers, it is interesting to learn the actual cost of the transportation we are compelled to accept. At what cost per mile can a ton of freight be carried on a railway?

There is a prevalent opinion that the charges must be proportioned to the cost of construction—that when the cost is heavy the charges must be proportionably great. Now the English railways on which the greatest amount of capital per mile has been expended are precisely those on which the fares are lowest. The Charing Cross Railway, for instance, cost a million and a half sterling, or seven million five hundred thousand dollars in gold per mile; and yet passengers are carried at a lower rate than on some railways that were constructed at a hundredth part of that cost. The error arises from confounding the cost of the machinery by which the passengers are conveyed with the cost of the conveyance itself—when the fares exceed the actual expense incurred in conveyance, it becomes a mere question of numbers as to what fares best pay.

A pound of coke under a locomotive boiler will evaporate five pints of water; in this evaporation a mechanical force is developed sufficient to draw two tons' weight on a railway a distance of one mile in two minutes! The same weight in a stage-coach on a common road would require four horses, and occupy six minutes. Dr. Lardner says: "To transport a train with 240 passengers from London to Birmingham and back, 200 miles each way, in three hours and a half, is effected by a mechanical force produced by the combustion of five tons of coke, the value of about £5. To carry the same number by stage-coaches would require twenty coaches and 380 horses, and would be performed in twelve hours. The anomaly is, that while the cost is reduced to less than one-twentieth, the fares have, on an average, not been reduced one-half."

In pursuing this inquiry, I regret to be compelled to rely so much on English authorities. But the managers of our American railroads seem to object to our getting at statistics. The president of a principal one confessed before a legislative committee that they only divided their expenses in their report to the Legislature, which was made up arbitrarily, as best they could. But in England their returns are more exact.

The following estimates of the English Board of Trade are made upon the principle that the ordinary current expenses of the establishment are paid, the railway kept in state of efficient repair by the substitution of new rails and sleepers for old ones, and all other work of a similar kind which may be necessary, such as keeping the rolling stock, engines, wagons, carriages, and tracks in order, replacing them by new ones when necessary. All this outlay is comprised in working expenses.

The average expenditure per train per mile, taking all the railways in the United Kingdom, has, according to the reports of the Board of Trade

for the year 1863, been 2s. 7d. (62 cents). The different items which go to form the whole are from the data furnished by the companies and reproduced by the Board of Trade.

It is to be observed that this average expenditure per train per mile includes goods, coal, and other mineral trains, conveying two or three hundred tons each, as well as passengers.

AVERAGE COST OF CONVEYING A TRAIN A MILE.

	s.	d.	cts.
Maintenance of Way and Works.....	0	4½	11
Locomotive Power.....	0	9	18
Repairs and Renewal of Carriages and Wagons.....	0	2½	5
General Traffic Charges.....	0	9	18
Rate and Taxes 1½d., Government Duty 1d.....	0	2½	5
Compensation for Personal Injury and Loss of Goods....	0	0½	1
Legal and Parliamentary Expenses....	0	0½	1
Miscellaneous Working Expenses not included in the above.....	0	2	4
	<hr/>		
	2	7	or 63

The first three items, amounting to 1s. 4½d., or 33c., are direct. They are the actual expenses incurred in the conveyance of each train. The others, amounting to 1s. 2½d., or 29c., embrace the general expenditure of the establishments, which must be paid, whether the trains run or not.

Again, a contest took place between the London and Northwestern and the Great Northern Companies. The fares for passengers were, for the first class, each one hundred miles one shilling (24 cents) and ninepence (18 cents), or less than a farthing (half a cent) a mile; and for second class, in carriages, comfortably cushioned, one shilling and two pence, or a penny for seven miles. These trains carried on an average six hundred passengers; two hundred first and four hundred second class, the fares for the double trip amounting in all to one hundred and seventy-five pounds. The cost per train per mile was two shillings and seven pence, taking the double distance of four hundred miles. The whole expense of the train, both the direct expense and the proportionate expense of the management, comes to fifty guineas, and the receipts, as we have seen, to one hundred and seventy-four pounds, leaving a profit of nearly two hundred and fifty per cent. on the conveyance of passengers by each train. The loss was calculated to be one-half per cent. on their dividends.

A similar contest took place between the Southeastern Railroad and the Great Western for the London and Reading traffic, which lasted about a year and a half. Passengers were carried, per hundred miles, first class at the rate of two shillings and three pence (54 cents), second class one shilling and six pence (35 cents).

In this case the chairman stated that the Company lost nothing by the change in fares; they paid the same dividends, and were well satisfied to go on. Yet these roads were charging on one part of their lines ten times as much as on the other parts, and on those parts where they were carrying lowest their profits amounted to about 250 per cent. in the cost of conveyance of each train.

The Edinburgh and Glasgow and the Caledonian Companies, in consequence of a dispute, reduced their fares to about one-eighth of the ordinary charges, from 8, 6, and 4 shillings to 1s., 9d., and 6d.

The Edinburgh paid one per cent. per annum less to their shareholders; and the loss to the Caledonian was calculated at something less than one-half per cent. on theirs. These fares were by all trains. The charge per hundred miles was, first class 2s. 3d. (54 cents), second 1s. 9d. (42 cents), third 1s. 2d. (28 cents).

If we put into a tabular form the original fares, the reduced fares and the loss of profits incurred by the reduction of the dividends will show thus :

## ORIGINAL FARES, RETURN TICKETS.

	\$ c.	\$ c.	\$ c.	Miles.
London and Northwestern.....	14 40	9 60	—	380
Great Northern.....	14 40	9 60	—	410
Southeastern.....	2 40	1 80	—	134
Edinburgh and Glasgow.....	1 92	1 44	96	46
Caledonian.....	1 92	1 44	96	55

## REDUCED FARES, RETURN TICKETS.

	\$ c.	\$ c.	\$ c.	Loss in Div.	Per cent. per ann.
London and Northwestern.....	1 80	1 20	—	2 40	$\frac{1}{2}$
Great Northern.....	1 80	1 20	—	2 40	$\frac{1}{2}$
Southeastern.....	72	48	—	—	—
Edinburgh and Glasgow.....	24	18	12	4 80	1
Caledonian.....	24	18	12	2 40	$\frac{1}{2}$

We have now before us the results, in a financial point of view, of very high, moderate, low, and extremely low, prices; and we find that it makes comparatively but very little difference in the annual dividends, not exceeding in any case one per cent., whether they charge one farthing a mile for first-class passengers, or fourteen farthings—the two extremes; and the others are in the same proportion. It however happens, that although the difference in profit is not great, fourteen farthings would invariably pay better than one; and as the companies have no legal obligation to consider anything but their own interest, and, as it would increase the labor of their manager, they would adopt the fourteen if they have no other choice. The monopolist, having no fear of competition, has only to consider what rate pays him best, and adopt that rate accordingly.

Thus far for passengers. When used only for freight the results are equally striking.

Mr. Galt says: "What could be more interesting to the public than to hear the chairman of the Northwestern Railroad inform his shareholders that the cost of coal at the pit's mouth was 8s., and the carriage to London being so much a ton, they could deliver it at such a price, which would leave a good profit. Now, the chairman never give these details, but seem totally unable to comprehend any question put for the purpose of eliciting such information. There are secrets in every trade, and railway directors naturally wish to keep all information from the public that might raise a popular outcry against them. What is patent is the enormous loss the nation sustains, so long as the present system continues."

"We have, however," he adds, "one case, and one case only, on record, in which the chairman of a railway company entered fully into the matter, giving the most minute details of expenditure; thereby showing the actual

cost of conveyance of coal, per ton, to the metropolis, and incidentally to any other place. An outcry was made by the shareholders of the Eastern Counties Railway against their chairman for carrying coal at rates that did not pay. In answer to the charges he gave the following minute detail of expenditure signed by the traffic manager :

Mr. Gooch's report: "This traffic is worked in full trains. Each train contains not less thirty wagons, at  $6\frac{1}{2}$  tons each, 190 tons net load ; for which the sum paid by the contractor is 8s. 7d. per mile, or about a halfpenny per ton. The cost to the company is as follows :

1st. Locomotive power.....	9.68d.
2d. Guards.....	80
3d. Green lamps and oil.....	1.00
4th. Permanent way.....	1.00
5th. Management and office expenses.....	1 00
Total cost per mile per train of working expenses.....	12.18

But as these trains return empty, only earning money in one direction, this account must be doubled ; and would give a total sum two shillings two pence farthing, or 53 cents, to earn 8s. 7d., or showing a profit of nearly 300 per cent. As the contractors found the wagons, which might be calculated at  $3\frac{1}{2}$ d. a mile, the entire expenditure would be brought up to 2s. 6d., or 60 cents, for the double journey. The cost, therefore, for conveying each ton of coal is 1s. 4d., or 32 cents, for a hundred miles."

I cannot conclude without a further quotation from Mr. Galt, who says :

"The policy hitherto acted upon by railway directors, and, considering them as traders, not an unfair one, has been to keep the public in complete ignorance of the internal working of our railway system, so far as regards the extremely low rate at which passengers and goods can be conveyed on railways." But an ingenious chairman might say : "The fact is that we and all other companies can carry passengers at exceeding low rates. A first-class passenger we can carry four miles for a farthing (one half of a cent), a second-class six miles for a farthing, and a third-class ten miles for a farthing, and all beyond that, with fairly loaded trains, is profit. When the public come to know that a passenger can be conveyed one hundred miles for two pence halfpenny (or five cents), for which he is charged eight shillings and four pence (or two dollars), and that a ton of coal can be brought from the north of England for about a shilling (24 cents), the cost being there six or seven shillings, and the price in London four or five times that sum, it requires no prophet to foretell that the days of railway monopoly, in private hands, will in this country (England) soon be numbered." But however great may be the benefits accruing to the people from the low fare system, they are unattainable under the present mode of management. The presidents of these roads would not be justified in trying experiments, or in sacrificing one per cent. on the dividends of their shareholders."

There is one point to which I would call particular attention. The amount annually paid for freight far exceeds that paid for passage. The latter is paid by the thousands who travel, the former by the millions who

stay at home. Complaints are often made of the exorbitance of the former, very seldom of the latter. The one is a direct tax levied on the travelling, the latter an indirect tax levied on the whole community. The merchant makes no complaint, for the consumer pays it. The consumer makes no complaint, for he is not aware how much of the price he pays goes to transportation. He does not know that with the full freights the railway might command, prices could in many cases be reduced one-half. He does not realize that the monopolist has no reason for increasing the amount of freight, as the high price he receives makes it a matter of small account to him whether the load is heavy or light. Let us take an example. Coal at the pit's mouth in Pennsylvania is worth about a dollar and a half a ton. Let us take the English price of thirty-two cents a ton for a hundred miles, and a third for depreciated currency, making about forty-three cents a ton.

The distance to Philadelphia is about three hundred miles; a citizen buys ten tons and pays cost and freightage, which, together, amounts to about \$2 70 a ton or \$27 90 for the lot. While he is congratulating himself on the reduction, a railroad employee enters and says the market price of the coal is eight dollars; we have been obliged to send in the first bill at cost, and now present one for the profits, which amount to five dollars and twenty-one cents a ton. Fifty-two dollars and ten cents for the difference! If the profits should be stated in this way, even a Philadelphia Quaker would be justified in saying, "Verily, friend, thy profit is exorbitant."

Now I have no complaint to make of shareholders in our railroads. In many cases it is known that they receive a moderate interest on their investment. But it is not patent how enormous is the loss sustained by the nation while the present system continues. Let us take the case of coal in England. Mr. Galt says: "We can buy it at the pit's mouth, and transport it to the metropolis for seven or eight shillings per ton; but as a general rule we pay four times that price in London. The price the poor pay for the small quantity they are able to purchase at a time during a severe winter, the extent to which they are cheated, and the sufferings they in consequence endure, are matters every one is well acquainted with. Monopoly charges them three or four hundred per cent. in ordinary times, and in extraordinary as much as it can lay on." Let the people make the calculation—take the English cost of 32 cents a ton a hundred miles and add what you please for America—and see if they do not find that the companies are authorized to, and do charge that sum many times over, and that the public have not the slightest power or control in regulating these charges.

Let us take again the tariff charged by expressmen for parcels and packages. What a blessing it would be to hundreds of families in the city and the country if they could procure, at a moderate charge, the produce from various parts. The Post-office carries small parcels by the railway in many cases for less by one-fourth than they can be carried by the express on the same train. I can send by the Post-office, to any part of the United States, a package weighing four pounds, and have it delivered with my letters at a charge far below the express tariff. In the one case it is done by a *State monopoly* which is under strict control and directed only



for the public good. In the other it is done by a *private monopoly* guided by private interest and charging whatever it pleases. At the present rates the charges for small parcels of little value are prohibitory. Distance make but little difference in cost, as the expense of collecting and delivering is the same whether the article is conveyed twenty or two hundred miles, and if a ton of goods can be conveyed two hundred miles for thirty-two cents the cost of transporting small articles is hardly appreciable.

The papers are full of the glories of consolidated lines with \$150,000,000 of capital—and of the great convenience of expresses and sleeping palaces, and red, white and blue cars. Now, if common report is to be believed, these are owned by private individuals or companies, who in some cases secure favorable contracts by giving managers of roads stock gratuitously or at a low price, who thus share with them the immense profits they make out of the community, and prevent any outsiders from competing with them. If this is not the case the public should be disabused.

Mr. Galt thus sums up the whole matter:

"The very low cost of the conveyance of passengers and merchandise on railways is proved by calculations founded on the traffic returns from the Board of trade and the companies. It is shown that a passenger, taking an average of the three classes, can be conveyed a hundred miles when an engine is fully loaded, as in excursion trains, for four pence (eight cents), that charge not only covering every direct expense, but also a fair per centage added for the general expenditure of the establishment. A ton of merchandise can be conveyed a hundred miles for a little more than a shilling (twenty-four cents). The tariff for the different kinds of merchandise as at present charged is given, whereby it is seen that the general charge in many cases is more than twenty times what it costs the companies."

But notwithstanding all this there is no cause of complaint, except against the system which is permitted to continue. The directors hold these highways as a trust, to be exercised not for the benefit of the general community, but solely for the profit of the general stockholders, to whom the railways are supposed exclusively to belong, and by whom these directors are paid for their services. Their object is to obtain the greatest profit for the shareholders, with the least trouble to themselves, without any more regard to the interests of the public than is necessary for effecting that object.

Perhaps no more striking case can be adduced to this fact than that of the Western Railroad in Massachusetts. This road was one of the first in the world that was carried over great elevations. It was built by the contributions of patriotic citizens with the assistance of the State. The object was to bring freight and passengers from the West by way of Albany and Springfield to the capital of Massachusetts. The road was supposed to be extremely successful. Shareholders who received ten per cent. on their investment, and editors who rode free and shared the hospitalities of the officers, were loud in their praises of its management. But an application for a purchase by the State led to an investigation, when it was found that for twenty years there had not been added one car to accommodate the freight business between Boston and Albany, and that the through tonnage of the Western Railroad to Boston was a trifle

greater in 1847 than in 1865, although the tonnage arriving at Albany by rail had increased 149 per cent. It was found that produce from the West was sent by other routes, hundreds of miles out of the way, and much of what came to Albany was sent down the Hudson to New York by boat, from New York to New Haven or Hartford, and by railroad from those cities to Springfield, 200 miles out of the way, with two or three additional handlings. Now, when it was found that the President of the Western Railroad was interested in some or all of these modes of conveyance, some persons felt indignant, but they had no just cause. It was the system, not any man, who was in fault. The course of the directors of this road may not have been patriotic or philanthropic, but it was entirely lawful. The road between Springfield and Worcester could learn all that was required by the shareholder. The State directors made no complaints, and the law gave the people no rights which a railway director was bound to respect.

How, then, can such abuses be remedied? It is evident that the interest of the railways, as at present managed, is to do a small business at a large price, and that the interest of the public in cheap food and cheap transportation requires that a large business should be done at a smaller one. These great thoroughfares are arteries of trade, and should never be entrusted to private monopolists or speculators. They should be managed by those who are directly responsible to the people, and who have an interest in facilitating business rather than earning dividends.

There is but one way of effecting this object—the purchase of the great thoroughfares by the State or the nation. If I were called upon to propose a plan, it would be that the State or the United States should purchase the great trunk railroads, furnish the locomotive power, and lay down a third or, if necessary, a fourth track, exclusively for freight. This should be carried at a regular and comparatively slow rate of speed, and the road be open to free competition for all persons, companies or corporations who might desire to put passenger, freight or mail trains thereon being subject to such regulations and liable to such tolls as Congress or the State Legislature might establish.

If these railroads should be purchased by the government, either of State or nation, the shareholders might be induced to giving up property from which a fluctuating dividend was received and take in exchange a fixed annuity for an equal or a less amount. Those in favor of the bills now before Congress find some objections. They say that millions of the stock upon which dividends are paid, and the public are taxed, should never have been issued, that they are in the cant phrase merely "water." That the roads can now be constructed at a far less expense, and that the public should not be called upon to pay for that which should never have had an existence—that is, for shares on which a cent has never been paid by the shareholders. If these shares were held now by those to whom they were originally given, there would be force in the argument, but as many are the property of those who had nothing to do with pouring in the water, they should not be prejudiced by another's action.

There is one consideration that renders the right of the State to take these roads on payment of a fair equivalent eminently just. Railroad corporations are different from any others. The State entrusts to the cor-

poration the highest privilege she possesses, that of "eminent domain." She permits these officers to take from the citizen, without his consent, any bond they please, and only give him the privilege of obtaining what a jury consider the land would be worth in the market, with no respect to his interests or associations, or to the injury it may do to his other property. This power is entrusted solely for the public good, and when the public interest demands it the State should again exercise their right of eminent domain, and take, on the payment of a just sum, for the public good what they previously granted for that good, and not for the profit of private speculators.

In many charters, as originally granted, any person could put his carriages on the road by paying tolls to the company. The great expense of locomotives and want of depot grounds rendered this a dead letter. A different policy would reverse it.

I am well aware that the managers of railroads throughout the country will look upon the proposition to make so great a reduction of fares with distrust. They may say "that it is a preposterous plan, utterly unsupported by facts, resting entirely on assumption," the very language that was used by Col. Maberly, the Secretary of the General Post Office, when Rowland Hill proposed to reduce the postage to a uniform rate—from sixpence (12c.) to a penny (2c.) We all know the triumphant success that has attended the measure, both as a financial advantage and a national blessing. It was not many years before the number of letters in England increased from seventy-five to seven hundred millions per annum, and a greater revenue than under the old tariff.

Citizens accustomed to the old monopoly will say, your prices will never pay the cost of running and keeping the road and rolling-stock in repair and provide also a million for the payment of the State's interest. My answer is, that the experience in England shows that the freight and passengers are trebled by such a reduction, and treble the through, with a moderate addition on the prices of way business, will raise the amount. But it is not essential that it should pay at once; ultimately it will do so. The States are not entering into a speculation for profit. Whatever they lose, the people will gain ten times over, in the increase of the value of their property, and in the decrease of the price of all the necessities of life.

Sir Robert Peel, in 1841, said in effect to Parliament, "Give me a direct payment of five millions per annum, and I will reduce the taxation on tea, coffee, sugar, and all the necessities of life to the amount of twenty." He redeemed his pledge. He reduced the revenue derived from those sources that amount, and the increased consumption arising from the reduction of price made up three-fourths of the loss to the revenue, and the income tax paid the rest. A statesman like Sir Robert Peel would say to our legislators, "Purchase these roads, put a direct tax on the State, put the freights from the West at a price that will only cover the cost of repairs and transportation, and you will return to the people annually millions in the reduction of the prices of corn, flour, wheat, pork, beef, wool, cotton, cheese, butter, coal, iron, and in short, of every production of your country, to the universal relief of the poorer and commercial classes. You will double the taxable property of your capi-

tal, and of every town and city on the line of railroad, or connected with it. You will enable the poor man to travel, not alone, but with his wife and children, and you will connect the different sections of the country indissolubly with one another."

To this purchase I anticipate three objections. First, It involves the necessity of a new debt either for the State or the nation. But a debt based on property of such great and increasing value would command the money at a rate that would enable the government to reduce the fares and freights at once from one-third to one-half, and provide a sinking fund for the repayment of the outlay. What financier would hesitate to run in debt for a property that would thus pay both principal and interest, and ensure immense and incalculable benefits to his family. The people are the family of the republic.

A second objection is that railways cannot be as well managed by the representatives of the people as by those chosen by private shareholders. If by this is meant that they cannot be as well managed for the purpose of giving large dividends to stockholders to make the fortunes of managers, I allow it. But if railroads are made for the people, and not the people for railroads, I deny it. The Western railroad of Massachusetts was admirably managed. By what it did between Springfield and Worcester, it gave ten per cent. to the shareholders, and by what it did not do, between Albany and Springfield, it gave princely fortunes to its managers. But in the meantime, the people of New England paid millions of dollars more for the transportation of Western produce than they would have done under the system that I recommend. The best management for the public is that which does the business for the lowest price. Besides this, the directors are, by my system, relieved from furnishing and loading and unloading of cars, and confined to the care of the road bed and the furnishing of power.

But the great objection made to the possession of these roads by the State or nation is, that their management will get into politics. To which it may be replied, that it is already in politics, and in a most disastrous way. The real question is, Can republican institutions and the present powerful monopolies exist together? It is notorious that large sums are spent in bribing and influencing legislature to allow these corporations to assess yet heavier taxes on the people. They have too much of the law on their side, and their wealth enables them to retain all the best ability of the bar. A gentleman of Pennsylvania, one of the first financiers in the land, had a controversy with one of these corporations in another State. He told me he went from one end of it to the other, and could find no lawyer of any weight or distinction who was not retained against him. And if I can believe statements confidently made to me, this monopoly of legal talent exists to-day in Massachusetts. There is no fault to be found with gentlemen of the legal profession. It is their interest and duty to aid with their counsel and influence those who are able to retain them. But we must object to the existence of a power that can appropriate all the talent and learning of a profession, and deprive the people of the natural protectors of their rights in any controversy to which encroachments may provoke them. No person whose attention has not been directed to the subject can have any idea of the influence and power these monopolies exert. They control the press to a perilous extent. There are,

no doubt, honorable exceptions, but you will generally find the columns of influential journals too full to admit any criticism on the doings of railway managers. I have heard of cases when such communications have been refused when the writers offered to pay for them as advertisements. Merchants often come to me with complaints, but they almost invariably charge me not to mention their names. Why? "I do business on the road, and it will never do for me to get the ill will of the managers," or "I have need of bank accommodation, and a knowledge that I ever said anything against corporations in which they were interested might prejudice me with Directors." In short, I have come to the conclusion that the people must undertake this reform for themselves. They will have small assistance from so-called leaders who are troubled with political aspirations or financial necessities. But in the hands of the people, as soon as the necessary information can be diffused among them, this great movement is safe. The management of railways will yet be vested in the State, and every citizen will be an outspoken and interested detective to see that the duty is well performed.

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**RAILROAD LEGISLATION**—C. F. ADAMS, JR.—The article on "Railroad Legislation" which appeared in the November issue of the magazine was from the pen of Charles Francis Adams, Jr., of Boston.

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### MR. McCULLOCH'S ANNUAL REPORT.

The balance sheet of the nation for the last fiscal year has just been laid before Congress in the usual reports, according to law, and we have now before us, in a compendious, authentic shape, for the information of Congress and the people, a record of the doings of the Federal Treasury, with the receipts and disbursements of its several bureaus during the most interesting period of our financial history as a nation. Because of its prominent interest we give up a large part of our space to Mr. McCulloch's very elaborate report, which, with the accompanying documents, is unusually voluminous, although from some cause it does not seem to have commanded quite so much attention as his former efforts. Among the momentous matters on which just now the public will seek information in these volumes, the first in point of importance is the public debt, whose burden and pressure were made heavier last year by a large increase of our gold-bearing bonds and by the payment of the accumulated interest of nearly 20 per cent. on the compound notes, which have recently matured. From this and other causes, which we omit for the present, the interest disbursements for the whole fiscal year, were \$143,781,591. Next year they will be larger still. In 1866 the interest amounted only to \$96,894,260; in 1865. to \$77,397,712; in 1864, to \$53,685,421, and in 1863, to \$24,729,846.

It is certainly fortunate that we have been able to reduce the principal of our debt while the pressure of the interest was smaller, for hereafter we shall be less successful in that respect than some of our financial pro-

phets have been promising us. As to the reduction which has been reported since 1865 we should remember that part of it is rather nominal than real. For in that year we had the army to pay off and other vast disbursements to make. So we over-borrowed or anticipated the revenue of the year, and, as the British and French governments often do, we repaid the over-borrowed money as fast as we collected our taxes. Besides this, the interest on the compound notes for 1865 and 1866 was not paid at all during those years, because it did not accrue until the maturing of the notes, some of which have now eight or nine months to run. Still, with all these explanations and deductions, the progress we have made in keeping down and consolidating the public debt is very satisfactory. During the latest months of the war few of us anticipated that the aggregate would fall below 3,000 millions, and very good judges estimated it at 3,500 millions, or more. Nor, considering the gigantic dimensions of our five years' war for the Union, did that amount seem extravagant. Yet, as Mr. McCulloch tells us, the debt never exceeded 2,758 millions, and we have brought down this nominal aggregate to about 2,490 millions, which is probably as low a point as, for the present, we should aim at. Our great task is set so far as the debt is concerned for the current year. It is this: to get rid of all the troublesome mass of short date Treasury obligations, and convert them into long bonds. The most mischievous part of this short paper has been already called in and cancelled. The temporary loans, the certificates of indebtedness, and other interest-bearing demand obligations have been paid off, and such embarrassing loans will never, we presume, be negotiated again. They were useful as an expedient of war finance, but with returning peace their usefulness vanished, and they became a source of weakness, a treacherous nuisance, and a snare. The Seven-Thirty notes now aggregate no more than 338 millions, out of 830 millions originally issued; and the compound notes are all paid off, except about 70 millions, which will mature at intervals from now to November next.

The small compass into which the short obligations are shrinking, reminds us of the near approach of the time when our gold-bearing debt will have touched its highest point. In view of that contingency, Mr. McCulloch puts forth a proposition to offer to the public a six per cent. loan in which to consolidate all existing indebtedness of the Government. In its present shape the plan is made needlessly repulsive and impracticable by being coupled with a curious project for paying to the States 20 millions a year from the National Treasury as taxes. We refer our readers to Mr. McCulloch's own argument about this unprecedented method of making the Treasury at Washington tributary to the several treasuries of the individual States. At present we need not discuss it further than to suggest, whether, if there be a need to pay the States any commutation for their being forbidden to tax the national securities, the better way would not be to vote the proper amounts annually out of the revenue. It is one of the least of the evils of this scheme, that it would open a new door for the admission of speculation and fraud into the departments at Washington. If Mr. McCulloch's new five-six-twenties could be negotiated at all he must submit to unfavorable terms; and in distributing the one per cent. tax in proportion to the population he

would impose an unjust burden on the citizens of the few States where the bonds are chiefly held; for he would compel these persons to pay a part of the taxes of other States where the bond-holders are relatively few.

The proper plan, no doubt, is to consolidate the debt into a long 5 per cent. loan; as we have often repeated, an absolute long loan is preferable to a conditional one. It might run for not less than 30, nor more than 50 years, and should be subject to the existing sinking fund laws. The *London Times* lately accounted for the high rates of interest we are paying on our debt by the statement that the vast aggregate of it consisted of terminable annuities, which would expire in 20 or 40 years. The 8 per cent. we pay on our long bonds was represented as being in part a repayment of a yearly instalment of the principal. This extraordinary mistake on the part of the leading London journal may perhaps contain a valuable suggestion. At any rate it is worth our while to consider whether a part, at least, of our foreign debt might not be converted into terminable annuities on a satisfactory basis. The present stagnation of the money market of Europe, and the indisposition to invest in ordinary securities, which is especially complained of in England, originates chiefly with the class of persons to whom a terminable annuity would be attractive. We offer the suggestion not as final, but as worthy of discussion and examination. We are not sure that it would be practicable; but if so, it would no doubt be a very judicious step for us to take a large part of the 350 millions, or 400 millions, of United States bonds which are held abroad and convert them into terminable annuities; while the rest, together with our bonds held at home, should be consolidated into absolute long bonds, bearing a low rate of interest. The mischievous propositions which have been made to pay off the debt in greenbacks will perhaps do all the service they are capable of conferring on the National credit, if they lead us to settle upon and to establish some comprehensive method of consolidating our debt on a firm unimpeachable foundation.

The question of consolidating the debt is only second in importance to that of contracting the currency. As we hinted a fortnight ago, the Committee of Ways and Means have introduced a bill revoking the contracting power given to the Secretary of the Treasury by the act of April, 1866. From the best information we can obtain, the inference seems inevitable that this Act will pass the House, but it will certainly meet a formidable opposition in the Senate. Still it does not follow that the discretion withdrawn from the Secretary, greatly to the relief of that overburdened officer, will not be vested elsewhere; or that contraction, if temporarily stopped, will not be renewed when it shall seem safe, needful, and for the good of the country. The plan has been more than once suggested in our columns of appointing a Committee to manage the Currency whose proceedings shall be public, and whose powers shall be clearly ascertained and laid down by the law. As to the necessity of contraction, with a view to the appreciation of our redundant currency it is almost universally admitted, and the chief arguments for it are well put in Mr. McCulloch's report. What is wanted, however, seems to be not to prove that contraction is necessary but to show how it can be done, how the transition from the small paper dollar to the large gold dollar

as a unit of value, and a measure of prices, can be made so gently and imperceptibly as to create scarcely a ripple on the surface of the financial currents. Two methods are proposed for meeting this difficulty. One is Mr. Broomall's, which we briefly described last week; the other is to supply the place of cancelled greenbacks by legal tender notes which should bear interest so as gradually to lose their functions as currency. Perhaps both these plans are capable of being carried on together, each supplementing the deficiencies of the other. However this may be, we regret that Mr. McCulloch did not refer in his report to the comparative value of different methods of contraction.

There are several other questions on which information will be eagerly sought in the Treasury report. During the last two or three years we have, beyond all doubt, caused our currency to appreciate in value, so far as a vigorous contraction of its volume could contribute to that result. To prove this we have only to look at the figures. On the 1st November, 1865, the currency afloat amounted to \$925,757,080, which was distributed as follows:—Greenbacks and fractional currency, \$454,218,038; National and State bank notes, \$270,000,000; interest-bearing notes, \$205,549,042. A year later, in November, 1866, the aggregate currency was \$885,295,935, of which the greenbacks were \$417,683,695, the bank notes \$320,000,000, and the interest-bearing notes \$148,572,140. After the lapse of another year, on 1st November, 1867, the currency had fallen to \$657,726,411, which was as follows:—Greenbacks and fractional currency, \$387,871,277; National and State bank notes, \$297,980,094; interest-bearing notes, \$71,875,040.

These changes are very suggestive. They show that during the fiscal year 1865-6, the volume of the currency was depleted by 44 millions, while during the past year the contraction reached the aggregate of 128 millions. How, it is asked, could so violent a contraction be tolerable with so little of injury to business or disturbance of financial confidence? Why has the price of gold so stubbornly resisted while the downward pressure of prices was everywhere else universal? In what degree is the comparative ease of the money market during the rapid shrinkage of the currency to be ascribed to the fact that the chief part of the contraction has been done by means of interest bearing notes according to the method described above? Any man will do good service to the country who shall solve these problems, and shall show us how far they are explicable by rapid changes in the volume of business since the close of the war; by the cessation of the vast movements of greenbacks into and out of the Treasury; by the use of a large amount of currency in the South; by the changes which have taken place in the demand for currency during the gradual shrinkage in the supply. We cannot help thinking that Mr. McCulloch would have spared himself some needless mistakes and would have given a more useful explanation of the phenomena if he had fixed his eyes more upon the domestic causes of currency perturbation and less upon the foreign exchanges.

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## D E P A R T M E N T   R E P O R T S .

### REPORT OF THE SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT, }  
WASHINGTON, NOV. 30, 1867. }

In conformity with law, the Secretary of the Treasury has the honor to submit to Congress this his regular annual report :

The finances of the United States, notwithstanding the continued depreciation of the currency, are in a much more satisfactory condition than they were when the Secretary had the honor to make to Congress his last annual report. Since the first day of November, 1866, \$493,990,263 34 of interest bearing notes, certificates of indebtedness and of temporary loans, have been paid or converted into bonds ; and the public debt, deducting therefrom the cash in the Treasury, which is to be applied to its payment, has been reduced \$59,805,555 72. During the same period decided improvement has also been witnessed in the general economical condition of the country. The policy of contracting the currency, although not enforced to the extent authorised by law, has prevented an expansion of credits, to which a redundant and especially a depreciated currency is always an incentive, and has had no little influence in stimulating labor and increasing production. Industry has been steadily returning to the healthy channels from which it was diverted during the war, and although incomes have been small, and trade generally inactive, in no other commercial country has there been less financial embarrassment than in the United States.

In order that the action of the Secretary, in the financial administration of the Department, may be properly understood, a brief reference to the condition of the Treasury at the time the war was drawing to a close, and at some subsequent periods, seems to be necessary.

#### FINANCIAL CONDITION AT THE CLOSE OF THE WAR.

On the 31st day of March, 1865, the total debt of the United States was \$2,366,955,077 34, of the following descriptions, to wit :

Funded debt.....	\$1,100,361,941 83
Matured debt.....	349,420 00
Temporary loan certificates.....	52,453,323 29
Certificates of indebtedness.....	172,790,000 00
Interest-bearing notes.....	526,812,800 00
Suspended or unpaid requisitions.....	114,366,548 93
United States notes (legal tenders).....	493,160,569 00
Fractional currency.....	24,464,094 07
<b>Total .....</b>	<b>\$2,429,487,008 18</b>
Cash in the Treasury.....	56,481,924 84
<b>Total .....</b>	<b>\$2,366,955,077 34</b>

The resources of the Treasury consisted of the money in the public depositories in different parts of the country, amounting as above stated to \$56,481,924 84 ; the revenues from internal taxes and customs duties, and the authority to issue bonds, notes, and certificates, under the following acts to the following amounts :

Acts of F-b. 25, 1862, bonds.....	\$4,022,600 00
Act of March 3, 1864, bonds.....	37,229,900 00
Act of June 30, 1864, bonds, 7-30 or compound notes.....	79,811,000 00
Certificates for temporary loans, act June 30, 1864.....	97,546,471 71
United States notes for payment of temporary loans, act July 1, 1862.....	16,839,431 00
Fractional currency, act June 30, 1864.....	25,745,905 93
Act of March 3, 1865, bonds or interest-bearing notes.....	532,587,200 00
<b>Making a total of.....</b>	<b>\$784,783,508 74</b>

Certificates of indebtedness, payable one year from date, or earlier, at the option of the Government, bearing interest at the rate of 6 per cent. per annum, might be issued to indefinite amount, but only to public creditors desirous of receiving them in satisfaction of audited and settled demands against the United States.

Early in April, the fall of Richmond and the surrender of the forces which had so long defended it, rendered certain that the war was soon to be terminated, and that provision must be made for the payment of the army at the earliest practicable moment.

#### THE NEW LOAN.

The exigency was great. \* \* \* \* But as a considerable amount of the Seven-Thirty notes had recently been disposed of satisfactorily by the Department, and had proved to be the most popular security ever offered to the people, the Secretary determined to rely upon them (although on the part of Government they were in many respects objectionable), and in order to insure speedy subscriptions, to place them within the reach of all who might be willing to invest in them. \* \* \* \* As evidence of the necessity that existed for prompt action in the negotiation of this loan, and the straits to which the Treasury was reduced, it will be remembered by those who examined carefully the monthly statements of the Departments, that although during the month of April, upward of one hundred millions of dollars had been received from the sale of 7.30 notes, the unpaid requisitions, at its close, had increased to \$120,470,000, while the cash (coin and currency) in all the public depositories amounted only to \$16,835,800. If few men intrusted with the management of the finances of a great nation were ever in a position so embarrassing and trying as was that of the Secretary of the United States Treasury in the month of April and May, 1865, none certainly were ever so happily and promptly relieved. \* \* \*

Between the first days of April and September, 1865, the Secretary used his authority to issue securities as follows :

Bonds under the act of February 25, 1863.....	\$4,023,660 00
Bonds under the act of June 30, 1864.....	6,000,000 00
Compound interest notes, act June 30, 1864.....	24,978,390 00
Certificates for temporary loans, act June 30, 1864.....	54,696,384 87
Fractional currency, act June 30, 1864.....	2,090,648 44
Seven-Thirty notes, March 3, 1865.....	539,187,300 00
<b>Total.....</b>	<b>\$620,906,383 31</b>

On the 31st of August, 1865, the public debt reached the highest point, and was made up of the following items, v. z :

Funded debt.....	\$1,109,568,191 80
Matured debt.....	1,503,020 09
Temporary loans.....	107,48,773 16
Certificates of indebtedness.....	85,093,000 00
Five per cent. legal-tender notes.....	32,454,300 00
Compound interest legal tender notes.....	217,024,160 00
Seven-Thirty notes.....	880,000,000 00
U. S. notes (legal-tenders).....	433,160,569 00
Fractional currency.....	16,344,743 51
Suspended requisitions uncalled for.....	2,111,000 00
<b>Total.....</b>	<b>\$3,843,907,628 56</b>
Deduct cash in Treasury.....	89,218,035 18
<b>Balance.....</b>	<b>\$3,757,689,571 48</b>

Of these obligations, it will be noticed, \$684,138,959 were a legal-tender, to wit :

United States notes.....	\$433,160,569
Five per cent. notes.....	83,954,230
Compound interest notes.....	217,024,160
<b>Total.....</b>	<b>\$684,138,959</b>

A very large portion of which were in circulation as currency.

The temporary loans were payable in thirty days from the time of deposit, after a notice of ten days.

The five per cent. notes were payable in lawful money, in one and two years from December 1, 1863.

The compound interest notes were payable in three years from their respective dates, all becoming due between the 10th day of June, 1867, and the 16th day of October, 1868.

The Seven-Thirty notes were payable, in about equal proportions, in August, 1867, and June and July, 1868, in lawful money, or convertible at maturity, at the pleasure of the holder, into Five-Twenty bonds.

The certificates of indebtedness would mature at various times between the 31st of August, 1865, and the 2d day of May, 1867.

#### THE FUNDING PROCESS.

During the month of September, 1865, the army having been reduced nearly to a peace footing, it became apparent that the internal revenues and the receipts for customs would be sufficient to pay all the expenses of the Government and the interest on the public debt, so that thenceforward the efforts of the Secretary were to be turned from borrowing to funding. Besides the United States notes in circulation, there were nearly \$1,300,000,000 of debts in the form of interest-bearing notes, temporary loans and certificates of indebtedness, a portion of which were maturing daily, and all of which, with the exception of the temporary loans, (which, being in the nature of loans on call, might or might not be continued, according to the will of the holders,) must be converted into bonds or paid in money before the 16th of October, 1868. The country had passed through a war unexampled in its expensiveness and sacrifice of lives; it was afflicted with a redundant and depreciated currency; prices of property and the cost of living had advanced correspondingly with the increase of the circulating medium: men, estimating their means by a false standard of value, had become reckless and extravagant in their expenditures and habits; business, in the absence of a stable basis, was unsteady and speculative, and great financial troubles, the usual result of expensive wars seemed to be almost inevitable. It was under such circumstances that the work of funding the rapidly maturing obligations of the Government and restoring the specie standard was to be commenced. While the latter object could not be brought about until the former had been accomplished, it was highly important that the necessity of an early return to specie payments should never be lost sight of. At the same time, it seemed to the Secretary that a return to the true measure of value, however desirable, was not of sufficient importance to justify the adoption of such measures as might prevent funding, and injuriously affect those branches of industry from which revenue was to be derived, much less such measures as might, by exciting alarm, precipitate the disaster which so many anticipated and feared. Thus the condition of the country and the Treasury determined the policy of the Secretary, which has been to convert the interest-bearing notes, temporary loans, &c., in gold-bearing bonds, and to contract the paper circulation by the redemption of United States notes. For the last two years this policy has been steadily, but carefully pursued, and the result upon the whole has been satisfactory to the Secretary, and, as he believes, to a large majority of the people. Since the first day of September, 1865, the temporary loans, the certificates of indebtedness, and the five per cent. notes have all been paid, (with the exception of small amounts of each not presented for payment,) the compound interest notes have been reduced from \$217,024,160 to \$71,875,040, (\$11,560,000 having been taken up with three per cent. certificates;) the seven and three-tenth notes from \$830,000,000 to \$337,978,800; the United States notes, including fractional currency, from \$459,505,311 51 to \$387,871,477 39—while the cash in the Treasury has been increased from \$88,218,055 13 to

\$133,998,398 02, and the funded debt has been increased \$686,584,800. While this has been accomplished there has been no commercial crisis, and (outside of the Southern States, which are still greatly suffering from the effects of the war and the unsettled state of their industrial interests and political affairs) no considerable financial embarrassment.

#### RESUMPTION OF SPECIE PAYMENTS.

In his last report, the Secretary remarked that "After a careful survey of the whole field, he was of the opinion that specie payments might be resumed, and ought to be resumed, as early as the 1st day of July, 1868, while he indulged the hope that such would be the character of future legislation and such the condition of our productive industry that this most desirable event might be brought about at a still earlier day." These anticipations of the Secretary may not be fully realized. The grain crops of 1866 were barely sufficient for home consumption. The expenses of the War Department, by reason of Indian hostilities and the establishment of military governments in the Southern States, have greatly exceeded the estimates. The Government has been defrauded of a large part of the revenue upon distilled liquors, and the condition of the South has been disturbed and unsatisfactory. These facts, and the apprehension created in Europe, and to some extent at home, by the utterances of some of our public men upon the subjects of finance and taxation, that the public faith might not be maintained, may postpone the time when specie payments shall be resumed. But, notwithstanding these unexpected embarrassments, much preliminary work has been done, and there is not, in the opinion of the Secretary, any insuperable difficulty in the way of an early and a permanent restoration of the specie standard. It may not be safe to fix the exact time, but, with favorable crops next year and with no legislation unfavorable to contraction at this session, it ought not to be delayed beyond the 1st of January, or at the furthest the 1st of July, 1869. No thing will be gained, however, by a forced resumption. When the country is in a condition to maintain specie payments they will be restored as a necessary consequence. To such a condition of national prosperity as will insure a permanent restoration of the specie standard the following measures are, in the opinion of the Secretary, important, if not indispensable:

First.—The funding or payment of the balance of interest-bearing notes, and a continued contraction of the paper currency.

Second.—The maintenance of the public faith in regard to the funded debt.

Third.—The restoration of the Southern States to their proper relations to the Federal Government.

If this opinion be correct, the question of permanent specie payments, involving as it does the prosperity of the country, underlies the great questions of currency, taxation and reconstruction, which are now engaging the attention of the people, and cannot fail to receive the earnest and deliberate attention of Congress. In view of the paramount importance of this great question the Secretary deems it to be his duty briefly to discuss the measures regarded by him to be necessary for an early and wise disposition of it, even at the risk of a repetition of what he has said in previous communications to Congress.

#### THE MEASURES NECESSARY.

The measures regarded by him as important, if not indispensable for national prosperity, and as consequence for a permanent resumption, are—

First.—The funding or payment of the balance of interest bearing notes, and a continued contraction of the paper currency.

By the act of March 2, 1867, the Secretary was authorized and directed to issue 3 per cent loan certificates to the amount of fifty millions of dollars, for the purpose of redeeming and retiring compound interest notes; and such certificates,

on the 1st inst., had been issued to the amount of \$11,560,000, in redemption of the notes becoming due in October and December. The notes still out-standing will be either taken up with certificates or paid at maturity. The seven and three-tenth notes, being payable in lawful money, or convertible at the option of the holders into Five-Twenty bonds, will be paid or converted according to the terms of the contract. Fortunately all the interest-bearing notes are to be paid or converted within eleven months, and they need not therefore be regarded as a serious impediment to a return to the true standard of value. As to the redemption of these notes, and the manner in which they should be redeemed, there cannot, of course, be much difference of opinion. *It is in regard to a contraction of the currency, and upon which of the two kinds of currency—United States notes or the notes of the National Banks—contraction should be brought to bear; that a difference of sentiment seems to exist.*

In his report to Congress, under date of the 4th of December, 1865, the Secretary presented, as fully and as clearly as he was able to do, his views upon the subject of the currency, and the necessity of action for the purpose of bringing about a return to specie payments. The views thus presented by him were approved by the House of Representatives on the 8th December, 1865, by the adoption of the following resolution, by the decisive vote of 144 to 6 :

Resolved, That this House cordially concurs in the views of the Secretary of the Treasury in relation to the necessity of a contraction of the currency, with a view to as early a resumption of specie payments as the business interests of the country will permit; and we hereby pledge co-operative action to this end as speedily as practicable.

These views are not only approved by the House of Representatives, but they seemed at the time to be heartily responded to by the people. By the act of April 12, 1866, the Secretary was authorized to receive Treasury notes and other obligations of the Government, whether bearing interest or not, in exchange for bonds, with a proviso that, of United States notes, not more than \$10 000,000 should be canceled within six months of the passage of the act, and thereafter not more than \$4,000 000 in any one month. This proviso, while it fixed a limit to the amount of notes which should be retired per month, so far from indicating an abandonment of the policy of contraction, confirmed and established it. To this policy (although for reasons that seemed to him judicious, the regular monthly reduction has not always been made) the action of the Secretary has been conformed, and the effect has been so salutary, and the continuation of it would be so obviously wise, that he would not consider it necessary to say one word in its favor were there not indications that, under the teachings of the advocates of a large and consequently a depreciated currency, such views are being inculcated as, if not corrected, may lead to its abandonment.

#### THE NATIONAL DEBT—NATURE OF THE PLEDGE.

But the public faith does not depend alone upon adequate revenue laws, nor upon economy in the administration of the Government. It rests also upon the observance of contracts in the spirit as well as in the letter. \* \* \* N W, to what is the United States pledged in regard to the public debt? Is it not that it shall be paid according to the understanding between the Government and the subscribers to its loans at the time the subscriptions were solicited and obtained? And can there be any question in regard to the nature of this understanding? Was it not that, while the interest-bearing notes should be converted into bonds or paid in lawful money, the bonds should be paid, principal as well as interest, in coin? Was not this the understanding of the Congress which passed the loan bills and of the people who furnished the money? Did any member of the House or of the Senate, prior to 1864, in the exhaustive discussions of these bills, ever intimate that the bonds to be issued in accordance with their

provisions might be paid, when redeemable, in a depreciated currency? Was there a single subscriber to the Five-Twenty bonds or to the Seven and three-tenth notes which by their terms were convertible into bonds, who did not believe, and who was not given to understand by the agents of the Government, that both the principal and interest of these bonds were payable in coin? Does any one suppose that the people of the United States, self-sacrificing as they were in the support of the Government, would have sold their stocks, their lands, the products of their farms, of their factories and of their shops, and invested the proceeds in Five-Twenty bonds and Seven and three-tenth notes, convertible into such bonds, if they had understood that these bonds were to be redeemed after five years from their respective dates in a currency of the value of which they could form no reliable estimate? Would the Secretary of the Treasury, or would Congress—when the fate of the nation was trembling in the balance, and when a failure to raise money for the support of the Federal army would have been success to the rebellion and ruin to the Union cause—have dared to attempt the experiment of raising money on bonds redeemable at the pleasure of the Government after five years, in a currency the convertible value of which might not depend upon the solvency of the Government, but upon the amount in circulation? No such understanding existed, and fortunately no such experiment was tried. The bonds were negotiated with the definite understanding that they were payable in coin, and the Seven and three-tenth notes with an equally definite understanding that they were convertible at the option of the holder into bonds of a similar character, or payable in lawful money. The contracts were made in good faith on both sides, a part of them when the Government was in imminent peril and needed money to preserve its existence, the balance when its necessities were scarcely less urgent, for the payment of its just obligations to contractors and to the gallant men by whom the nation was saved. Good faith and public honor, which to a nation are of priceless worth, require that these contracts should be complied with in the spirit in which they were made. The holders of our bonds at home and abroad, who understand the character of the people of the United States and the greatness of the national resources, ought not to need an assurance that they will be so complied with.

#### THE ACTION OF CONGRESS.

Here remarks upon a subject which it ought not to be necessary to discuss might be closed, but the great interest and alarm excited by the doctrines recently promulgated seem to justify a reference to the debates when the act of Feb. 25, 1862, in some respects the most important of the loan bills, was under consideration, in order that the action and intention of Congress in regard to the legal tender notes and to the bonds which it authorized the issue of may be understood.

This act authorized an issue of one hundred and fifty millions of United States notes, which were made receivable for all Government dues, except duties on imports, and of all claims against the United States, except for interest upon bonds and notes, which was to be in coin. It also authorized the issue of five hundred millions of bonds, redeemable at the pleasure of the Government after five years from date. The purpose for which these bonds were to be issued was stated to be "to enable the Secretary of the Treasury to fund the Treasury notes and floating debt of the United States," and he was authorized to dispose of them "at the market value thereof, for coin of the United States, or for any Treasury notes issued under any former act of Congress, or for the United States notes that might be issued under this act." Regarding only the act itself, it is not supposable that Congress intended to provide for funding the floating debt in bonds which might, at the expiration of five years, be called in and paid in the very notes which, with the Treasury notes, were thus to be funded. These bonds, like all others since and previously issued, were intended to be a part of the funded debt of the United States, the right to redeem them after five years hav-

ing been reserved by the Government, not that they might be called in and paid in a depreciated currency, but in order that bonds bearing a lower rate of interest might be substituted for them, if it should so happen that before their maturity money could be borrowed on more favorable terms. The act provides that the United States notes of which it authorized the issue should be receivable in payment "of all claims and demands against the United States of every kind whatsoever, except interest upon bonds and notes, which shall be paid in coin." It is not said that they shall not be receivable for the principal of the bonds, for the very obvious reason that they were expected to be but a temporary circulation. A provision that these notes—intended only to meet a temporary emergency—should not be received for the payment of the principal of bonds which were not redeemable for five years, would, if it had been advocated and insisted upon, have been quite likely to have prevented their issue. The public judgement had not then been perverted by an irredeemable currency, and a proposition that indicated a long continued departure from the specie standard would have found few supporters in Congress or among the people.

#### THE DEBATES ON THE SUBJECT.

But, if the intention and understanding of Congress are not sufficiently indicated by the language of the act, all doubts must be removed by a reference to the debates while it was under consideration. From these debates it is clear that the issue of the legal tender notes was expected to be limited to one hundred and fifty millions. On this point one of the Representatives from the State of New York spoke as follows :

"Then the whole secret of our financial success lies simply in borrowing five hundred millions, or rather in funding the floating indebtedness convertibly represented by the Treasury notes, so that their issue need never exceed that authorized by this bill, and which is conceded to be the extreme limit consistent with safety to private interest and public credit. Nobody has proposed to rely upon this currency beyond that amount, but on the contrary, the idea of any further similar issue has been expressly repudiated by every supporter of this bill."

One of the Representatives from Massachusetts put to the distinguished Chairman of the Committee of Ways and Means the following question—

"Let me ask the gentleman from Pennsylvania whether he now expects in managing these financial matters to limit the amount of these notes to one hundred and fifty millions. Is that his expectation?"

To which question he received the following reply :

"It is. I expect that is the maximum amount to be issued."

Later in the debate, the same distinguished gentleman used the following language :

"When this question was discussed before the distinguished gentleman from Kentucky (Mr. Crittenden) asked me whether it was the intention or expectation of the House to go on and issue more than one hundred and fifty millions of legal tender notes—a pertinent question, which I saw the full force of at the time. I told him that it was my expectation that no more would be issued by the government; that they would be received and funded in the twenty-year bonds."

It is clear from these quotations, and the whole tenor of the debate, that it was the intention of Congress that \$150,000,000 should be the limit of the legal-tender circulation, and that it was confidently expected that this circulation would soon be converted into the Five-Twenty bonds known as the bonds of 1862, and which are now redeemable according to their tenor. This of itself is a

sufficient explanation of the fact that it was deemed unnecessary to provide that these notes should not be receivable for the principal of the bonds. As the amount to be issued was limited to \$150,000,000, a provision that they should not be receivable for the principal of \$500,000,000 of bonds, to be issued under the same act, in which they were expected to be funded, and which were not to be subject to the control of the Government for five years, would certainly have been regarded as being as singular as it would have been unnecessary. But this not all. The same gentleman, who, as Chairman of the Committee of Ways and Means, was the exponent of the views of the House upon this question, in speaking of these bonds, remarked as follows—

"A dollar in a miser's safe, unproductive, is a sore disturbance. Where could they invest it? In the United States loans at six per cent, redeemable in gold in twenty years—the best and most valuable permanent investment that could be desired."

Would he have regarded these bonds a most valuable permanent investment if he had supposed that they might be redeemed in a depreciated currency at the expiration of five years from date? Again, he said: "But widows and orphans are interested and in tears lest their estates should be badly invested. I pity no one who has money invested in the United States bonds payable in gold in twenty years, with interest semi-annually."

In these debates very little was said upon the subject of the payment of the principal of the bonds, apparently for the reason that no one supposed that they would or could be paid in anything else than in the heretofore recognised constitutional currency of the country. The same may be said in regard to the debates upon the bills authorizing subsequent issues. The acts of March 3, 1863, and March 3, 1864, are the only acts which state expressly that the bonds to be issued under them shall be payable in coin; and this provision in these acts, if not accidental, attracted no attention at the time, either in Congress or with the public. Under the former act seventy-five millions of twenty-years six per cent. bonds (part of those known as bonds of 1881) were issued, and under the latter act nearly two hundred millions of five per cent. bonds, known as Ten-Forties; and the fact that these six per cent. bonds have had no higher reputation than other bonds of the same class, and that the five per cent. bonds never were a popular security, and have in the market, until very recently, scarcely possessed a value corresponding with the six per cent. Five-Twenties, shows conclusively that dealers in Government securities, and the people generally, have not regarded this provision as placing them on a different footing, as to the kind of money in which they are to be paid, from the bonds issued under acts containing no such provision. There was nothing in the condition of the country when these acts were passed that required an unusual provision, in order that the loans authorized by them might be successfully negotiated; on the contrary, the national credit was better then than at periods when other loan bills were passed; nor was there any intimation by any member of Congress, nor was it ever thought by the officers of the Treasury Department, that the bonds authorized by them were of a different character from those issued under other acts. It is unreasonable to suppose that it was the intention of Congress that the bonds authorized by the act of February 25, 1862, and June 30, 1864, might be paid in legal tender notes, while those authorized by the acts of March 3, 1863, and March 3, 1864, could be paid only in coin. The various issues of bonds, constituting the national funded debt, stand upon the same footing, and all should be paid in coin, if any are so paid. \* \* \* \* \*

#### RESTORATION OF THE SOUTHERN STATES.

The importance of the restoration of the Southern States to their proper relations with the Federal Government cannot be over estimated. A curtailment of the currency and the maintenance of the public faith are not all that is required to re-



store the country to perfect financial health. We need, in addition to these, a united country—united in fact as well as in name. It may not be proper for the Secretary in this report to discuss the measures regarded by him as best calculated to bring about this most desirable result. This, however, he feels it to be his duty to say, as he substantially said in his last year's report, that the question of reconstruction, as a purely financial question, is in his judgment, second in importance to none that Congress will ever be called upon to consider. The great staples of the South have for many years constituted a large portion of our exports. But for the cotton held in that section at the close of the rebellion, the foreign exchanges would have been so largely against the United States that a commercial revolution would have been imminent, if not unavoidable. Even in the deplorable condition of these States, last year more than two thirds of our exports consisted of their productions, and it is the crop of the present year—small though it may be—that is to save us from ruinous indebtedness to Europe. It is of the greatest moment, therefore, that the productive power of the Southern States should be restored as rapidly as possible. Little progress has been made in this direction, during the past two years, and no real progress will be made until their political condition is determined by their restoration to the Union with all the rights and privileges of other States under the constitution. The Secretary does not allude to this subject for the purpose of calling the attention of Congress to it. This is unnecessary. It is absorbing the public attention, and the further action of Congress in relation to it will be watched by the people with intense solicitude. Upon the judicious settlement of it depends, in a great degree, the national prosperity. The views presented by the Secretary upon this subject in his last report are equally appropriate at the present time.

\* \* \* \* \*

#### A NEW ISSUE OF SIX PER CENT. BONDS.

After giving the subject careful consideration, the Secretary can suggest no better way of doing it than by an issue of bonds to be known as the Consolidated Debt of the United States, bearing six per cent interest, and having twenty years to run, into which all other obligations of the Government shall as rapidly as possible be converted—one sixth part of the interest at each semi-annual payment to be reserved by the Government and paid over to the States, according to their population. By this means all the bonds, wherever held, would be taxed alike, and a general distribution of them be secured. State taxes, including the levies for county and municipal purposes, now, as a general thing exceed one per cent, but when the debts incurred for the payment of bounties are paid (and in many of the States they are already in the process of rapid extinction) and economy is again practiced in State affairs, this indirect assessment will be quite likely to equal the tax assessed upon other property. If the debt to be funded shall amount to \$2,000,000,000 the amount to be reserved and paid to the States annually would be \$20,000,000, which would give to each of the States, in gold, as nearly as can now be estimated, the following sums, to be reduced of course with the reduction of the debt:

Maine.....	\$385,609 76	Arkansas.....	\$367,259 98
Massachusetts.....	748,378 43	Louisiana.....	434,540 77
New Hampshire.....	194,411 17	Texas.....	589,773 40
Vermont.....	186, 26 09	Alabama.....	580,513 53
Connecticut.....	282,418 01	Mississippi.....	471,722 23
Rhode Island.....	107,174 16	Georgia.....	648,915 93
New York.....	2,381,825 89	Florida.....	90,290 60
New Jersey.....	412,466 93	South Carolina.....	431,925 13
Pennsylvania.....	1,738,647 12	North Carolina.....	630,634 23
Ohio.....	1,44, 59 58	Virginia.....	730,663 53
Indiana.....	836,727 81	West Virginia.....	249,068 10
Michigan.....	472,909 32	Maryland.....	421,680 51
Illinois.....	1,300,892 56	Delaware.....	68,873 43
Wisconsin.....	521,554 48	Kansas.....	156,663 80
Iowa.....	463,159 19	Nebraska.....	38,716 86
Minnesota.....	177,840 91	California.....	288,753 14
Missouri.....	778,831 79	Nevada.....	21,068 73
Kentucky.....	709,308 45	Oregon.....	46,000 76
Tennessee.....	681,147 55		
Total.....			\$20,000,000 00

The advantages to be derived from this plan are so obvious as not to require discussion. It would secure, as has been already stated, such a distribution of the bonds

throughout the States and counties and cities as could not be expected if local taxes should be imposed upon them. It would create an interest in the bonds in States the people of which are justly responsible for the debt, but whose early and complete restoration to the Union is so desirable and important, and would give to them needed aid in their efforts to build up again their own prostrate credit. It would put an end to all discussions and doubts in regard to the kind of currency in which the bonds are to be paid, to all complaints of exclusive privileges, and place the public credit on a basis worthy a nation whose resources, young as it is, are second to those of no other nation, and of whose future resources the present are but an indication.

The bonds, the issue of which is thus recommended, would be six per cents to the Government and five per cents to the holders, which is as low a rate of interest as be can be expected to prevail in the United States for many years to come. Of the practicability of converting the outstanding obligations of the Government into this consolidated debt at an early day, at no considerable expense, the Secretary entertains no doubt. It is, therefore, respectfully recommended that the Act of March 8, 1865, be so amended as to authorize the Secretary of the Treasury to issue six per cent. gold-bearing bonds, to be known as the Consolidated debt of the United States, having twenty years to run, and redeemable if it may be thought advisable at an earlier day, to be exchanged at par for any and all other obligations of the Government—one-sixth part of the interest on which, in lieu of all other tax-s, at each semi-annual payment, shall be reserved by the Government and paid, over to the States according to population.

## THE PUBLIC DEBT.

The following is a statement of the public debt on the 1st of July 1867:

DEBT BEARING COIN INTEREST.			
5 per cent bonds	.....	\$198,481,850 00	
6 per cent. bonds of 1867 and 1868	.....	15,18,141 80	
6 per cent bonds, 1881	.....	283,766,600 0	
6 per cent 5-30 bonds	.....	1,127,531,800 00	
Navy pension fund	.....	13,000,000 00	—\$1,007,890,041 80
DEBT BEARING CURRENCY INTEREST.			
6 per cent bonds	.....	\$14,762,000 00	
Three year compound interest notes	.....	123,394,430 00	
Three year 7-30 notes	.....	488,047,425 00	625,803,905 00
Matured debt not presented for payment	.....		8,997,596 00
DEBT BEARING NO INTEREST.			
United States notes	.....	\$371,992,029 00	
Fractional currency	.....	78,307,528 52	
Gold certificates of deposit	.....	19,407,520 00	419,507,073 52
Total debt	.....		\$2,692,199,215 12
Amount in Treasury, coin	.....	108,419,638 02	
Amount in Treasury, currency	.....	71,979,563 77	\$180,399,201 79
Amount of debt, less cash in Treasury	.....		\$2,511,800,013 33

The following is a statement of the public debt on the 1st of November, 1867:

DEBT BEARING COIN INTEREST.			
5 per cent. bonds	.....	\$198,845,350 00	
6 " " of 1867 and 1868	.....	14,890,941 80	
6 " " 1881	.....	283,676,600 0	
6 " 5-30 bonds	.....	1,187,898,100 00	
Navy pension fund	.....	13,000,000 00	—\$1,773,110,991 80
DEBT BEARING CURRENCY INTEREST.			
6 per cent. bonds	.....	\$18,042,000 00	
Three year compound interest notes	.....	62,558,940 00	
" " 7-30 notes	.....	894,607,70 00	
Three per cent. certificates	.....	11,560,000 00	—\$428,763,640 00
MATURED DEBT NOT PRESENTED FOR PAYMENT.			
3 year 7-30 notes, due Aug. 15, 1867	.....	\$3,371,100 00	
Compound interest notes matured June 10, July 15, Aug. 15, and Oct. 15, 1867	.....	9,316,100 00	
Bonds, Texas Indemnity	.....	262,000 00	
Treasury notes, acts July 17, 1861, and prior thereto	.....	163,661 64	
Bond, April 15, 184	.....	51,061 64	
Treasury note, March 3, 1863	.....	808,240 00	
Temporary loan	.....	4,168,375 55	
Certificates of indebtedness	.....	24,000 00	—\$18,237,538 83

## DEBT BEARING NO INTEREST.

United States notes.....	357,164,844 00	
Fractional currency.....	31,706,633 39	
Gold certificates of deposit.....	14,512,300 00—	402,385,677 39
Total debt.....		\$2,625,502,643 03
Amount in Treasury, coin.....	\$111,540,317 35	
Amount in Treasury, currency.....	22,458,080 67—	133,998,398 02
Amount of debt, less cash in Treasury.....		2,491,504,450 00

## RECEIPTS AND EXPENSES OF THE YEAR.

The following is a statement of receipts and expenditures for the fiscal year ending June 30, 1867 :

Receipts from Customs.....	\$176,417,810 88	
Lands.....	1,163,576 76	
Direct tax.....	4,300,233 70	
Internal revenue.....	266,097,537 43	
Miscellaneous sources.....	42,824,863 50—	\$460,634,010 27
Expenditures for the civil service.....	\$51,110,097 27	
Pensions and Indians.....	25,579,063 48	
War Department.....	95,294,415 63	
Navy Department.....	31,034,011 04	
Interest on the public debt.....	143,761,561 91—	\$346,729,129 33
Loans paid.....	\$746,350,525 94	
Receipts from loans.....	640,426,910 29	
Reduction of loans.....		\$107,923,615 65

The following is a statement of receipts and expenditures for the quarter ending Sept. 30, 1867 :

Receipts from Customs.....	\$48,081,907 61	
Lands.....	287,480 07	
Direct tax.....	647,070 83	
Internal revenue.....	58,784,027 49	
Miscellaneous sources.....	18,861,462 62—	\$121,161,926 63
Expenditures for the civil service.....	13,152,348 06	
Pensions and Indians.....	10,484,476 11	
War Department.....	30,587,066 35	
Navy Department.....	5,579,704 67	
Interest on the public debt.....	33,515,640 47	—\$96,269,236 18
Loans paid.....	300,176,363 34	
Receipts from loans.....	135,103,263 00	
Reduction of loans.....		65,073,096 34

The Secretary estimates that the receipts and expenditures for the three quarters ending June 30, 1868; will be as follows :

Receipts from Customs.....	\$115,800,000 00	
Lands.....	700,000 00	
Internal revenue.....	155,000,000 00	
Miscellaneous sources.....	25,000,000 00—	\$396,000,000 00

The expenditures for the same period, according to his estimates, will be—

For the civil service.....	\$37,000,000 00	
For pensions and Indians.....	22,000,000 00	
For the War Department, including \$24,500,000 for bounties	100,000,000 00	
For the Navy Department.....	22,000,000 00	
For the interest on the public debt.....	114,000,000 00—	\$396,000,000 00
Leaving a surplus of estimated receipts over estimated expenditures of....		\$1,000,000 00

The receipts and expenditures for the next fiscal year, ending June 30, 1869, are estimated as follows:

Receipts from Customs.....	\$145,000,000 00	
Receipts from internal revenue.....	306,000,000 00	
Receipts from lands.....	1,000,000 00	
Receipts from miscellaneous sources.....	30,000,000 00—	\$482,000,000 00

The expenditures are estimated as follows :

For the civil service.....	\$51,000,000 00	
For pensions and Indians.....	8,000,000 00	
For the War Department, including \$45,500,000 for bounties	120,000,000 00	
For the Navy Department.....	26,800,000 00	
For the interest on the public debt.....	120,000,000 00—	\$372,000,000 00
Leaving a surplus of estimated receipts over estimated expenditures of..		\$2,000,000 00

The foregoing estimates are made on the general average of the receipts and expenditures for the past nine months. The Secretary is hopeful, however, that Congress will take measures to largely reduce expenditures in all branches of the service, so that a steady reduction of the debt may be continued.

\* \* \* \* \*

#### THE PARIS MONETARY CONGRESS.

The Department of State has referred to this Department, for consideration, the official report of the proceedings of the International Monetary Conference held at Paris in June and July of the present year, and also the report of Mr. Samuel B. Ruggles, the delegate in that Conference from the United States of America. \*

\* \* The matters thus presented are of high monetary interest to the United States, and merit the attentive and careful examination of its public authorities, executive and legislative. They are fully discussed in the separate report of Mr. Ruggles, under the following heads :

1.—The composition and character of the Conference, embracing nine separate nations, with a population of 320,000,000 inhabitants.

2.—The importance of including, in the proposed monetary reform, the nations of Central and South America.

3.—The necessity of monetary union between the Eastern and Western Continents.

4.—The intermediate position of the two Americas between Western Europe and Eastern Asia, and their duty as the principal producers of the gold of the world.

5.—The cost of recoinage required by the proposed unification, with full statistics of the coinage, past and present, of the United States, Great Britain and France.

The gold coinage of the United States, from 1793 to 1851, the report states to have been.....	\$180,184,268
Of Great Britain, from 1816 to 1851.....	480,108,758
Of France, from 1793 to 1851.....	234,492,316

Total.....	\$894,782,639
From 1851 to 1866 (fifteen years) there has been coined by the United States.....	\$665,252,323
Great Britain.....	455,225,605
France.....	267,739,298

Total..... \$2,108,236,316

6.—The probable rate of future product of gold in the United States.

7 and 8.—The history of the varying coinages of Europe, and their gradual consolidation.

9.—The contrast presented by the coinage of the United States as unified by the Constitution.

10.—The necessity of intercontinental monetary conferences of nations First attempt in the Congress at Berlin in 1858.

11.—Quadripartite monetary treaty of December, 1855, between France, Belgium, Switzerland and Italy, with subsequent adhesion of the Pontifical States and of Greece, partially unifying Europe.

12.—The necessity of a single standard exclusively of gold. The fallacy and impossibility of a double standard of gold and silver.

14.—A "common denominator," or unit, of gold of defined weight and value, rendering "dollars" and "francs" synonymous, or mutually convertible.

14.—Action in the Conference by the delegates from Great Britain.

15.—The consent of France to issue a new gold coin of 26 francs to circulate side by side with the half eagle of the United States and the sovereign of Great Britain, when reduced to that value.

The proper examination of a subject so comprehensive can hardly fail to benefit the Government and the people of the United States. \* \* \*

HUGH McCULLOCH,  
Secretary of the Treasury.

## STATEMENT OF THE INDEBTEDNESS OF THE UNITED STATES, JUNE 30, 1867.

Acts of	Synopsis of Acts.	Title.	Length of loan.	When redeemable.	Rate of interest.	Amount authorized.	Amount issued.	Amount outstanding.
July 31, '41, and April 15, 1842.	Authorized loan of \$12,000,000, interest not exceeding 6 per cent., reimbursable at will of Secretary, after six months' notice, or at any time after three years from Jan. 1, 1842. The act of April 15, 1842, authorized loan of additional \$5,000,000. This loan was made to redeem outstanding Treasury notes and defray public expenses.	Loan of 1842...	20 years	Dec. 31, '62.	6 p. c.	\$17,000,000	\$8,000,000	\$44,768 68
Jan. 28, '47.	Authorized the issue of \$23,000,000 Treasury notes, interest not exceeding 6 per cent., with authority to borrow any portion of amount, and issue bonds therefor, redeemable after Dec. 31, 1867. The 13th section authorized the funding of these notes into bonds of the same description. The act authorized the funding of Treasury notes issued under former acts beyond \$3,000,000.	Loan of 1847...	20 years	Dec. 31, '67.	6	23,000,000	23,397,000	7,160,900 00
Mar. 31, '48.	Authorized a loan of \$16,000,000, reimbursable at any time after twenty years from July 1, 1848. Authority was given to the Secretary to purchase the stock at any time.	Loan of 1842...	20 years	July 1, 1868.	6	16,000,000	16,000,000	6,080,941 80
Sept. 9, '50.	Authorized the issue of \$10,000,000 in bonds, redeemable at the end of four years, to indemnify the State of Texas at the time of a cession.	Texas indemnity.	15 years	Dec. 31, '64.	5	10,000,000	5,000,000	983,000 00
Old fund & prior to '57.	Consisting of uncalled dividends upon stocks issued before the year 1800, and those issued during the war of 1812. Different issues of Treasury notes.	Old funded debt.	Demanded	On demand.	5 & 6	.....	.....	113,915 48
Dec. 23, '57.	Authorized an issue of \$20,000,000 in Treasury notes, interest not exceeding 6 per cent., and receivable in payment of public dues, and to be redeemed after the expiration of one year from date of said notes.	Treasury notes.	1 year	On demand.	1 m-6	.....	.....	104,511 64
June 14, '58.	Authorized a loan of \$20,000,000, reimbursable at any time after expiration of fifteen years from Jan. 1, 1859.	Treasury notes.	1 year	1 yr. from date	5 1/2	20,000,000	.....	2,600 00
June 22, '60.	Authorized a loan of \$21,000,000, reimbursable within a period not beyond twenty years, and not less than ten years, for the redemption of outstanding Treasury notes, and for no other purpose.	Loan of 1858...	15 years	Dec. 31, '73.	5	20,000,000	20,000,000	20,000,000 00
Dec. 17, '60.	Authorized an issue of \$10,000,000 Treasury notes, to be redeemed after expiration of one year from date of issue, and bearing such rate of interest as offered by the lowest bidders.	Loan of 1860...	10 years	Dec. 31, '70.	5	21,000,000	7,023,000	7,132,000 00
Feb. 8, '61.	Authorized a loan of \$25,000,000, reimbursable within a period not beyond twenty years, not less than ten years. This loan for payment of current expenses, and awarded to the most favorable bidders.	Treasury notes.	1 year	1 yr. after date	6 & 12	10,000,000	10,000,000	600 00
		Loan of Feb. 8, 1861.	20 years	June 1, '81.	6	25,000,000	18,415,000	18,415,000 00

Mar. 2, '61.	Authorized a loan of \$10,000,000, reimbursable after expiration of ten years from July 1, 1861. In case proposals for loan were not acceptable, authority was given to issue the amount in Treasury notes. Authority also given to suballigate Treasury notes for whole or any part of loans authorized at the time of the passage of this act, such notes to be receivable for all public dues, and redeemable within two years from March 2, 1861.	Treasury notes.	3 years. 60 days.	3 years from date. 60 days after date.	22,463,100 12,896,350	22,463,100 12,896,350	2,000 00
Mar. 2, '61.	Authorized issue of \$2,800,000 in coupon bonds, redeemable in twenty years, for expenses incurred in suppression of Indian hostilities of 1855 and 1856.	Oregon war.	20 years.	July 1, '61.	1,090,850	1,016,000 00	
July 17, '61, and Aug. 5, 1861.	Authorized a loan of \$50,000,000, for which could be issued bonds bearing interest at not exceeding 7 per cent., irredeemable for twenty years, and after that redeemable at the pleasure of the United States; Treasury notes bearing interest at the rate of 7.30 per cent., payable three years after date, and U. S. notes without interest, payable on demand, to the extent of \$30,000,000 (increased by act of Feb. 12, 1862, to \$50,000,000), to bonds and Treasury notes to be issued in such proportions of each as the Secretary may deem advisable. The supplementary act of Aug. 5, 1861, authorized an issue of bonds bearing 6 per cent. interest per annum, and payable at the pleasure of the United States after twenty years from date, which may be used in exchange for 7.30 Treasury notes, but no such bonds to be issued for a less sum than \$500; and the whole amount of such bonds not to exceed the whole amount of 7.30 Treasury notes issued.	20-year slices. 7.30 notes. (two issues)	20 years. 3 yrs.	June 30, '61 Aug 18, '64 Sept. 30, '64	50,000,000 139,999,750	50,000,000 139,911,350 00	
Feb. 25, 1862	Authorized the issue of \$500,000,000 in 6 per cent. bonds, redeemable after five years, and payable twenty years from date, which may be exchanged for United States notes. Also, on	Demand notes	Demand	None.	60,000,000	208,433 60	
Mar. 2, 1864 June 30, '64 Jan. 25, '65 Feb. 25, 1862	Authorized the issue of not over \$11,000,000 additional of similar bonds, to meet subscriptions already made and paid for on hand unsold in the United States or Europe. ....	20 year slices.	20 years	June 30, '61	Fishes payable for 7.30 Treasury notes.	50,700 00	
July 11, 1862	Authorized the issue of \$150,000,000 in legal-tender U. S. notes, \$50,000,000 of which to be in lieu of demand notes issued under act of July 17, 1861. Authorized an additional issue of \$150,000,000 legal-tender notes, \$50,000,000 of which might be in denominations less than five dollars; \$50,000,000 of this loan to be received to pay temporary loans promptly in case of emergency.	Five-twentieths	5 or 20 years.	Apr 1, 1867.	514,780,500	514,780,500 00	
Resolution of Congress of Jan. 17, 1863	Authorized the issue of \$10,000,000 in United States notes, for payment of arms and navy, notes to be a part of the loan provided for in any bill that may hereafter be passed by this Congress. (The amount in this resolution is included in act of March 2, 1862.)	U. S. notes, new issue.		None.	450,000,000	871,768,597 00	

## STATEMENT OF THE INDEBTEDNESS OF THE THE UNITED STATES, JUNE 30, 1867.—(Continued.)

Acts of	Synopsis of Acts.	Title.	Length of loan.	When redeemable.	Rate of interest.	Amount authorized.	Amount issued.	Amount outstanding.
March 3, '63	A further issue of \$150,000,000 in United States notes, for converting the Treasury notes which may be issued under this act, and for no other purpose. And a further issue, if necessary for payment of army and navy, and other creditors of \$150,000,000 in notes, which amount includes the \$100,000,000 authorized by resolution of January 17, 1863.							
April 12, '66	Provided, That of United States notes, not more than ten millions of dollars may be retired and cancelled within six months from the passage of this act, and thereafter not more than four millions of dollars in any one month: And provided further, That the act to which this is an amendment shall continue in full force in all its provisions, except as modified by this act.	U. S. notes, new issue.			None.	450,000,000		371,768,597 00
Feb. 25, '63	Authorized temporary loan of \$25,000,000 in U. S. notes, for not less than thirty days, payable after ten days' notice, at 5 per cent. interest. (This was increased to \$100,000,000 by the following acts.)							
Mar'h 17, '63	Authorized an increase of temporary loans of \$25,000,000, interest at rate not exceeding 6 per cent.	Temp'y loan.	Not less than 30 days.	After 10 days' notice.	4, 5 & 6.	150,000,000		20,325,070 00
July 11, '63	Authorized further increase temporary loans of \$50,000,000.							
June 30, '64	Authorized increase of temporary loans to not exceeding \$150,000,000, at not exceeding 6 per cent.							
March 2, '65	Authorized a loan of \$300,000,000 for this, and \$600,000,000 for the next fiscal year, for not less than ten, nor more than forty years, principal and interest payable in coin. So much of this act as limits loan to current fiscal year is repealed by act of June 30, 1864, which also repeals the authority to borrow money conferred by section 1, except so far as it may affect \$75,000,000 of bonds already advertised. And Treasury notes to the amount of \$400,000,000 not exceeding three years to run, interest not over 6 per cent., principal an interest payable in lawful money, which may be made a legal tender for their face value, excluding interest, or convertible into United States notes. Secretary may receive gold on deposit and issue certificates therefor, in sums not less than twenty dollars.	Loan of 1863.		After June 30, 1861.	6	75,000,000	75,000,000	75,000,000 00
June 30, '64								
March 2, '65		Treasury notes.	3 years. } 1 year. }	3 years after date. 1 yr. aft. date	5 5	400,000,000 }	211,000,000 }	1,193,880 00
		Gold certificates		On demand.		Not specified.		12,907,530 00

March 3, '64	Authorizes issue of bonds not exceeding \$200,000,000, bearing date March 1, 1864, or any subsequent period, redeemable at pleasure of Government after any period not less than five years, and payable at any period not more than forty years from date, in coin, interest not exceeding 6 per cent., payable semi-annually, not over one hundred dollars annually, and on all other bonds semi-annually, in coin.	Ten-forties Five-twenties	10 or 40 years. 5 or 30 years.	5 6	\$200,000,000 .....	\$173,770,100 .....	\$171,409,350 00 3,362,500 00
March 1, '62	Authorized an issue of certificates of indebtedness, payable one year from date in settlement of audited claims against the Government. Interest 6 per cent., payable in gold, and by	Certificates of indebtedness.	1 yr. aft. date	6	Not specified	.....	26,000 00
March 3, '63	Payable in lawful currency on those issued after that date.	Postal currency	.....	.....	Not specified	.....	5,497,534 93
July 17, '63	Authorized an issue of notes of the fractional parts of one dollar, receivable in payment of all dues except customs, less than five dollars, and exchangeable for United States notes in sums not less than five dollars. Amount of issue not specified.	Fractional currency.	.....	.....	50,000,000	.....	22,307,938 59
March 3, '63	Authorized an issue not exceeding \$20,000,000 in fractional currency, (a list of postage or other stamps,) exchangeable for U. S. notes in sums not less than three dollars and payable at any time to the United States; less than five dollars, except notes on imports. Authority given to President to issue in lieu of Treasury Department.	.....	.....	.....	.....	.....	.....
June 30, '64	Authorized an issue of bonds under acts of July 17, 1863, and March 3, 1863, the whole under all acts not to exceed \$50,000,000.	Five-twenties.	5 or 30 years.	5 p. c	.....	.....	125,561,300 00
June 30, '64	Authorized the issue of \$400,000,000 of bonds redeemable at pleasure after not less than five nor more than thirty years, or if deemed expedient, made payable at any period not more than forty years from date. Said bonds shall bear interest not exceeding 6 per centum, payable semi-annually in coin.	Treas'y notes	3 years.	.....	.....	\$17,350,000	.....
March 3, '63	Authorizes an issue of Treasury notes, not exceeding three years to run, interest not over 6 per cent., principal and interest payable in lawful money. Also authorizes the issue of and in lieu of an equal amount of bonds authorized by the first section, and as a part of said loan, not exceeding \$300,000,000 in Treasury notes of any denomination not less than \$10, payable at any time not exceeding three years from date, or if thought more expedient, redeemable at any time after three years from date, and bearing interest not exceeding the rate of 7-10 per centum, payable in lawful money at maturity, or at the discretion of the Secretary, semi-annually, and such of them as shall be made payable, principal and interest, at maturity shall be a legal tender to the same extent as United States notes, for their face value, excluding interest, and may be paid to any creditor of the	Treas'y notes	3 years.	.....	.....	.....	122,384,460 00
June 30, '64	.....	Treas'y notes	3 years.	.....	.....	177,045,770	.....
.....	.....	Treas'y notes	3 years.	.....	.....	22,723,320	.....



## DEPARTMENT REPORTS.

[December,

## STATEMENT OF THE INDEBTEDNESS OF THE UNITED STATES—(Continued.)

Acts of	Synopsis of Acts.	Title.	Length of loan.	When redeemable.	Rate of interest.	Amount authorized.	Amount issued.	Amount outstanding.
June 30, '64	United States, at their face value, excluding interest, or to any creditor willing to receive them at par, including interest; and any Treasury notes issued under the authority of this act may be made convertible, at the discretion of the Secretary of the Treasury, in any bonds issued under the authority of this act, and the Secretary may redeem and cause to be cancelled and destroyed any Treasury notes or United States notes heretofore issued under authority of previous acts of Congress, and substitute in lieu thereof an equal amount of Treasury notes, such as are authorized by this act, or of other United States notes; not shall any Treasury note bearing interest issued under this act be a legal tender in payment or redemption of any notes issued by any bank, banking association, or banker, calculated or intended to circulate as money.	.....	.....	.....	.....	400,000,000		
Jan. 28, '65.	Whole amount may be issued in bonds or Treasury notes, at the discretion of the Secretary.	7-30 Treasury 3 years notes.	3 years.	3 years after Aug. 15, '64	7 30 %		324,400,000	
March 2, '65	Authorized an issue of \$600,000,000 in bonds or Treasury notes; bonds may be made payable at any period not more than forty years from the date of issue, or may be made redeemable at the pleasure of the Government, at or after any period, not less than five years nor more than forty years from date, or may be made redeemable and payable as aforesaid, as may be expressed upon their face, and so much thereof as may be issued in Treasury notes may be made convertible into any bonds authorized by this act, and be of such denominations, not less than fifty dollars, and bear such dates, and be made redeemable or payable at such periods as the Secretary of the Treasury may deem expedient. The interest on the bonds payable semi-annually; on Treasury notes semi-annually, or annually, or at maturity thereof; and the principal or interest, or both, be made payable in coin or other lawful money; if in coin, not to exceed 6 per cent. per annum; when not payable in coin, not to exceed 7 3/10 per cent. per annum. Rate and character to be expressed on bonds or Treasury notes.	7 3/10 Treasury notes, three issues.	3 yrs. } 8 yrs. }	Aug. 14, '67 June 14, '68 July 14, '69.	7 3/10 }	600,000,000		488,647,433 00
		Five-twentieths	5 or 20 years.	Oct. 31, 1870	6 p. c.			181,427,350 00

April 12, '69 to act of Ma. 3, '68	<p>Authorizes the Secretary of the Treasury, at his discretion, to receive any Treasury notes or other obligations issued under any act of Congress, whether bearing interest or not, in exchange for any description of bonds authorized by the act, to which this is an amendment; and also to dispose of any description of bonds authorized by said act, either in the United States or elsewhere, to such an amount, in such manner, and at such rates as he may think advisable, for lawful money of the United States, or for any Treasury notes, certificates of indebtedness, or certificates of deposit, or other representatives of value, which have been or which may be issued under any act of Congress, the proceeds thereof to be used only for retiring Treasury notes or other obligations issued under any act of Congress; but nothing herein contained shall be construed to authorize any increase of the public debt.</p> <p>Bonds issued to the Union Pacific Railroad Company in accordance with these acts.</p> <p>For the purpose of redeeming and relieving any compound interest notes outstanding, the Secretary of the Treasury is authorized and directed to issue temporary loan certificates in the manner prescribed by section thirty of the act entitled "An act to authorize the Secretary of the Treasury to issue and for funding the public debt of the United States," approved February twelfth, eighteen hundred and sixty-two, bearing interest at a rate not exceeding three per centum per annum, principal and interest payable in lawful money on demand, and said certificates of temporary loan may constitute and be held by any National bank holding or owning the same, as a part of the reserve provided for in sections thirty-one and thirty-two of the act entitled "An act to provide a national currency secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof," approved June three, eighteen hundred and sixty-four. Provided, That not less than two-fifths of the entire reserve of such bank shall consist of lawful money of the United States: And provided further, That the amount of such temporary certificates at any time outstanding shall not exceed fifty millions of dollars.</p>	June 30, '70 6 p. c.		
July 1, '69 & 64 March 2, '67	<p>Union Pacific R R Co. bonds.</p>	30 years Jan. 15, 1895 6 p. c.		14,702,000 00
				2,692,199,315 13

## REPORT OF THE COMPTROLLER OF THE CURRENCY.

The Comptroller of the Currency presents a very interesting and elaborate report, but our limited space prevents our giving more than the following extracts:

Since the last annual report nine National banks have been organized, of which six are new associations, and three were organized to take the place of existing State banks, making the total number organized up to October one thousand six hundred and seventy-three.

The following table will exhibit the number of banks, with the amount of capital and circulation, in each State and Territory:

States and Territories.	Organization		Capital paid in.	Bonds on deposits.	Circulation issued.	In actual circulation
	Organized.	Closing or closed.				
Maine.....	61	61	\$9,085,000 00	\$8,407,350	\$7,519,386	\$7,511,285
N. Hampshire.....	39	39	4,785,000 00	4,772,000	4,232,355	4,314,155
Vermont.....	40	40	6,510,013 50	6,474,000	5,732,730	5,710,480
Massachusetts.....	208	208	79,932,000 00	64,450,900	57,439,205	56,961,935
Rhode Island.....	62	62	20,364,800 00	14,185,000	12,508,970	12,470,230
Connecticut.....	83	83	24,564,230 00	19,740,000	17,556,585	17,432,822
New York.....	314	8	116,494,941 00	79,516,150	73,558,965	69,209,277
New Jersey.....	54	54	11,333,350 00	10,432,400	9,152,165	9,134,955
Pennsylvania.....	208	5	50,277,990 00	44,244,250	39,359,970	36,889,080
Maryland.....	23	23	12,590,202 50	10,065,750	8,959,800	8,894,900
Delaware.....	11	11	1,438,185 00	1,348,300	1,305,035	1,198,835
D. of Columbia.....	6	2	1,550,000 00	1,442,000	1,370,500	1,066,000
Virginia.....	20	1	2,500,000 00	2,435,800	2,149,960	2,146,680
West Virginia.....	15	15	2,216,409 00	2,242,250	1,994,750	1,989,550
Ohio.....	187	2	22,404,700 00	20,773,900	18,454,250	18,405,920
Indiana.....	71	2	12,967,000 00	12,534,350	11,042,240	11,015,049
Illinois.....	82	82	11,630,000 00	10,852,250	9,544,710	9,521,810
Michigan.....	42	1	5,070,010 00	4,357,700	3,825,125	3,822,425
Wisconsin.....	27	1	2,935,000 00	2,693,250	2,564,150	2,559,050
Iowa.....	47	2	3,962,000 00	3,700,150	3,237,705	3,230,090
Minnesota.....	15	1	1,660,000 00	1,632,200	1,466,000	1,477,500
Kansas.....	5	5	400,000 00	382,000	315,500	314,000
Missouri.....	19	2	7,559,300 00	4,074,100	3,519,490	3,437,630
Kentucky.....	15	15	2,885,000 00	2,660,000	2,345,970	2,342,020
Tennessee.....	12	1	2,100,000 00	1,536,550	1,322,040	1,322,040
Louisiana.....	3	1	1,800,000 00	1,408,000	1,245,100	1,245,000
Mississippi.....	2	2	150,000 00	75,000	66,000	66,000
Nebraska.....	3	3	250,000 00	190,000	170,000	170,000
Colorado.....	3	3	355,000 00	297,000	254,000	254,000
Georgia.....	9	1	1,700,000 90	1,382,500	1,224,000	1,224,000
N. Carolina.....	5	5	588,300 00	346,000	280,600	280,600
S. Carolina.....	2	2	585,000 00	170,000	153,000	153,000
Alabama.....	3	1	500,000 00	410,500	353,025	353,025
Nevada.....	1	1	155,000 00	155,000	131,700	131,700
Oregon.....	1	1	100,000 00	100,000	88,500	88,500
Texas.....	4	4	575,450 00	472,100	407,400	407,400
Arkansas.....	2	2	200,000 00	200,000	179,500	179,500
Utah.....	1	1	150,000 00	150,000	135,000	135,000
Montana.....	1	1	100,000 00	40,000	36,000	36,000
Idaho.....	1	1	100,000 00	75,000	42,900	42,900

Totals.....1,673 241,639 \$424,204,381 00 \$240,675,000 \$203,958,971 \$209,103,996

From the number of banks organized, heretofore stated to be sixteen hundred and seventy-three, should be deducted thirty-four, leaving the number in active operation sixteen hundred and thirty nine.

The banks to be excluded are the following:

## NEVER COMPLETED THEIR ORGANIZATION.

The First National Bank of Lansing, Mich.  
The First National Bank of Penn Yan, N. Y.  
The Second National Bank of Canton, Ohio.  
The Second National Bank of Ottumwa, Iowa.

## SUPERSEDED BY SUBSEQUENT ORGANIZATIONS WITH THE SAME TITLES.

The First National Bank of Norwich, Conn.  
The First National Bank of Utica, N. Y.

## IN THE HANDS OF RECEIVERS.

\* The First National Bank of Attica, N. Y.  
 The Venango National Bank of Franklin, Penn.  
 The First National Bank of Washington, District of Columbia.  
 Since Oct. 1, 1866 :  
 The First National Bank of Medina, N. Y.  
 The Tennessee National Bank of Memphis, Tenn.  
 The First National Bank of Newton, Mass.  
 The First National Bank of Selma, Ala.  
 The First National Bank of New Orleans, La.  
 The National Unadilla Bank of Unadilla, N. Y.  
 The Farmers' and Citizens' National Bank of Brooklyn, N. Y.

## IN VOLUNTARY LIQUIDATION.

*Closed and Closing under the Provisions of Section 42 of the Act of June 3, 1864.*

The First National Bank of Columbia, Mo.  
 The First National Bank of Oronojet, Mo.  
 The First National Bank of Leonardsville, N. Y.  
 The National Union Bank of Rochester, N. Y.

Since Oct. 1, 1866 :

The First National Bank of Elkhart, Ind.  
 The First National Bank of New Ulm, Minn.  
 The Farmers' National Bank of Richmond, Va.  
 The National Bank of the Metropolis, Washington, D. C.  
 The Farmers' National Bank of Waukesha, Wis.  
 The National Bank of Crawford County, Meadville, Penn.  
 The City National Bank of Savannah, Ga.

*Closed for the Purpose of Consolidation with Other Banks.*

The Pittston National Bank of Pittston, Penn., consolidated with the First National Bank of Pittston, Penn.

The Berkshire National Bank of Adams, Mass., consolidated with the First National Bank of Adams, Mass.

The Fourth National Bank of Indianapolis, Ind., consolidated with the Citizens' National Bank of Indianapolis, Ind.

Since Oct. 1, 1866 :

The Kittanning National Bank of Kittanning, Penn., consolidated with the First National Bank of Kittanning, Penn.

The First National Bank of Providence, Penn., consolidated with the Second National Bank of Scranton, Penn.

The National State Bank of Dubuque, Iowa, consolidated with the First National Bank of Dubuque, Iowa.

The Ohio National Bank of Cincinnati, Ohio, consolidated with the Merchants' National Bank of Cincinnati, Ohio.

## BANK FAILURES.

Since the organization of the first National Bank, which occurred June 20, 1863, up to Oct 1, 1867, a period of four years and three months, ten National Banking Associations have failed.

Their aggregate capital is..... \$1,870,900

The aggregate liabilities to the public are :

Circulation..... \$1,187,900

+ Deposits and other liabilities to the public..... 8,373,200

Total..... \$4,560,100

\* The First National Bank of Attica is now closed, its circulation paid in full, with a dividend to creditors of sixty cents on the dollar.

+ Government deposits are not included in this item. The only loss to the Government will result from the failure of the Merchants' National Bank of Washington, which has been investigated by a Congressional Committee.

The circulation will be paid in full, so that the public will suffer no loss from that source, and the bonds deposited as security for the same would to-day realize a surplus of some \$250,000 that could be applied to the payment of general creditors. A careful estimate of the assets leads to the conclusion that they will realize a sum sufficient to pay 70 per cent. to creditors, leaving the total ultimate loss sustained by the public through their failure about \$1,000,000.\*

The National Banks are not exempt from the disasters which are common to all banking institutions and business corporations. No system of banking, however perfect, can protect the stockholders or the depositors from sudden loss; neither can the most stringent legislation, nor the greatest degree of watchfulness and care on the part of this office, prevent violations of law and neglect of the fundamental principles of good banking.

The failures of National Banks which have thus far occurred, may in every instance be directly traced to the dishonesty or incompetency of bank officials, and the habitual violation of the plainest provisions of the law under which they were organized.\* In some cases old State banks, with capital impaired by bad debts, have been reorganized as National Banks, without sufficient scrutiny into their affairs, and such failures must be attributed to the old rather than the new system. The officers of these banks are prejudiced in favor of the State system of banking, and are not yet accustomed to the more stringent provisions of the National Currency Act. Such institutions will be liable to failure until their capital is restored by assessments, or they are forced into voluntary liquidation.

Yet, notwithstanding these things, if the failure of ten banks among the sixteen hundred and seventy three National Banks of the Union during the past four years had been three times greater, they would still in the aggregate not equal in magnitude the recent failure of the Royal Bank at Liverpool, or the Commercial Bank of Canada, institutions which were supposed to be conducted upon the most approved system of English banking.

#### QUARTERLY REPORTS.

Under existing provisions of law, banks are required to make a detailed statement of their affairs at the beginning of each quarter; and a statement showing the average of circulation, deposits, lawful money, and balances available for the redemption of their circulating notes, at the beginning of each month. This monthly statement is too vague and general to give any correct or reliable information as to the actual condition of the banks. A full and detailed report monthly would be of great value to the public, and would afford more constant insight into, and familiarity with, the management and condition of the banks, for the guidance of the Comptroller, than he can possibly obtain under the present system of quarterly reports.

It is known, understood and anticipated by all who have dealings with the banks, that they are in the habit of preparing systematically for making creditable exhibits on quarter day. It is certainly a point gained to know that the banks can make a good showing at least once every quarter; but it would be more satisfactory to know that they could do so at all times.

As an approximate to this, it is recommended that in lieu of the present quarterly reports and meagre monthly statements, a full exhibit of the affairs of each bank shall be required on the first Monday of each month.

#### REDEMPTIONS.

It is important to establish, as early as practicable, a system of redemptions which shall be comprehensive and thorough. The circulating notes of National Banks are uniform in design and appearance, and are equally well secured by the pledge of United States bonds. Their ultimate redemption is established beyond a question. It only remains to make them convertible. This can be done only by making them redeemable at a common centre, which should be the centre of trade.

When this is accomplished the amount of notes in circulation will be regulated strictly by the demand. When the volume is greater than is necessary to do the business of the country, the banks will be called upon to redeem the surplus, and it

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\* This estimate does not include amounts which may be recovered from stockholders on their personal liability.

will be retired. When trade is active, and more currency is required, the banks will expand their issues, and redemption will not be demanded until the season of activity is over. If all the banks are required to conform to a uniform standard of responsibility in this particular, the burden, being equally divided among all in proportion to their circulation, will be light, because the aggregate redemption at any given time will not exceed the surplus of notes in circulation; while, if such a rule is not established, the burden will be unequally divided, falling most heavily on those banks which conform to the highest standard, compelling them by the frequent return of their notes to contract their issues, while at the same time the remote banks will be tempted to undue expansion by the difficulty and expense of returning their notes for redemption. In this, as in all other cases, the inferior currency will be the more abundant.

Rigid, unflinching convertibility is the only safe rule, and, in the end, the most economical. It is an obligation which every National Bank owes to the system, to contribute its due share to the maintenance of a circulation of uniform value. This it can do only by keeping its own issues at par in the great centres of trade. Any plan which is not comprehensive, thorough, and rigid, will fail. Any half way, doubtful, voluntary arrangement will not answer the purpose. The Government, which authorizes the issue of bank notes for currency, has a right to require all banks to conform to the highest standard. The currency of a country belongs to the people; and the Government, which represents the people, should see to it that the people have the very best currency possible.

At present there is no immediate demand for the redemption of National Bank notes; but it would be one of the healthiest evidences of returning soundness in our financial affairs, if it should be inaugurated. If legal tenders should command a small premium, it would begin. It would be the first step towards specie payments, to see a bank note accepted and treated as a promise to pay, and not the payment itself. It would mark an era in legal tender notes—the date of their appreciation in value. At the same time it would be a healthy reminder to the banks that their circulation is a liability payable on demand.

#### TAXATION.

It has come to be a recognized principle in all legislation on the subject of revenue, that all taxes imposed upon the manufacture of any article, are ultimately paid by the consumer. A tax upon any business is paid by the customer. It is so with banks. While they should bear their full and fair share of the burden of taxation, there is a point beyond which taxation becomes oppressive—greater than the profits of legitimate business will justify. Under the impression that they are realizing inordinate profits, there is a disposition to tax them in proportion to their supposed gains.

The Federal taxation amounts to an average of about two or two and a half per cent. upon the capital employed: while by an express provision in the act of Congress, the shares are taxable by State authority. This is done upon the par value of the shares, at rates ranging from two to five per cent., which, added to the Federal taxes, makes a total tax of from four to seven per cent. upon the capital of National Banks.

Heretofore, the high premium upon the gold received in payment of interest on their bonds, together with large deposits growing out of the abundance of paper money, has enabled them to pay this tax without reducing their dividends below the point of a fair interest on the capital invested. But it is becoming more and more difficult for the banks to pay their taxes and their expenses without reducing their profits below the amount that would be realized upon an investment in Government securities.

The natural effect of this excessive taxation will be an incentive to charge higher rates of interest in loaning their money; and in the end, the business community will pay the tax in the shape of usury. There is a very general and commendable disposition on the part of National Banks to assume their fair share of necessary taxation. They do not ask to be relieved from that, nor that any exception shall be made in their favor. But the fact is becoming evident in several of the States, that the tax imposed is in excess of their ability to pay consistently with legitimate profits to their stockholders.

## BONDS HELD IN TRUST.

The following is a statement of bonds held by the Treasurer of the United States in trust for National Banks on the 30th day of September, 1867, according to the books of the Treasurer of the United States and the books of the office of the Comptroller of the Currency :

Description of Securities.	For security of Circulating Notes.
Registered bonds—Act of Jan. 28, 1847.....	\$50,000
Registered bonds—Act of March 31, 1848.....	33,000
Registered bonds—Act of June 14, 1858.....	1,055,000
Registered bonds—Act of June 22, 1860.....	181,000
Registered bonds—Act of Feb. 8, 1861.....	3,611,000
Coupon bonds—Act of Feb. 8, 1861.....	1,400
Coupon bonds—Act of March 3, 1861.....	43,250
Registered bonds—Acts of July 17 and Aug. 5, 1861.....	50,979,900
Coupon bonds—Acts of July 17 and Aug. 5, 1861.....	9,000
Registered bonds—Act of Feb. 25, 1862.....	66,750,450
Coupon bonds—Act of Feb. 25, 1862.....	49,200
Registered bonds—Act of March 3, 1863.....	36,301,550
Registered bonds—Act of March 3, 1864, 5 per cent.....	23,235,100
Coupon bonds—Act of March 3, 1864, 5 per cent.....	10,000
Registered bond—Act of June 30, 1864.....	39,013,750
Registered bonds—Act of July 1, 1863, and July 2, 1864.....	3,577,000
Registered bonds—Act of March 3, 1864, 6 per cent.....	3,503,500
Registered bonds—Act of March 3, 1863, first series.....	26,048,300
Registered bonds—Act of March 3, 1863, second series.....	10,312,500
Registered bonds—Act of March 3, 1863, third series.....	20,000
Total.....	\$340,675,000

## PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st November and 1st December, 1867 :

DEBT BEARING COIN INTEREST.				
	November 1.	December 1.	Increase.	Decrease.
5 per cent. bonds.....	\$198,845,950 00	\$205,533,350 00	\$6,686,900 00	\$.....
6 " '67 & '68.....	14,690,941 80	14,690,941 80	.....	.....
6 " 1861.....	233,676,800 00	232,731,550 00	.....	945,050 00
6 " ('5-20's).....	1,297,668,100 00	1,394,412,550 00	56,514,450 00	.....
Navy Pen. F'd 6 p.c.....	13,000,000 00	13,000,000 00	.....	.....
Total.....	1,778,110,591 80	1,840,367,891 80	62,256,800 00	.....

DEBT BEARING CURRENCY INTEREST.				
6 per ct. (RR) bonds.....	\$18,043,000 00	\$18,601,000 00	\$559,000 00	\$.....
3-y'ars com. int. n'tes.....	63,558,940 00	63,349,360 00	.....	209,580 00
3-years 7-30 notes.....	334,607,700 00	285,537,100 00	.....	49,070,600 00
3 p. cent. certificates.....	11,560,000 00	12,865,000 00	1,295,000 00	.....
Total.....	426,768,640 00	379,392,460 00	.....	47,416,180 00

MATURED DEBT NOT PRESENTED FOR PAYMENT.				
7-30 n. due Aug. 15, '67.....	\$3,371,100 00	\$3,855,400 00	\$.....	\$515,700 00
6 p. c. comp. int. n'tes.....	9,316,100 00	7,068,750 00	.....	2,250,350 00
B'ds of Texas ind'ty.....	263,000 00	260,000 00	.....	2,000 00
Treasury notes (old).....	178,661 64	168,011 64	.....	650 00
B'ds of Apr. 15, 1842.....	54,061 64	54,061 64	.....	.....
Treas. n's of Ma. 3, '63.....	868,940 00	865,940 00	.....	.....
Temporary loan.....	4,168,375 55	3,860,900 55	.....	1,267,475 00
Certif. of indebtedness.....	84,000 00	81,000 00	.....	2,000 00
Total.....	18,237,588 83	14,178,363 83	.....	4,059,175 00

DEBT BEARING NO INTEREST.				
	November 1.	December 1.	Increase.	Decrease.
United States notes.....	\$357,164,944 00	\$356,213,478 00	\$.....	\$953,371 00
Fractional currency.....	30,706,433 39	30,939,981 05	233,550 66	.....
Gold cert. of deposit.....	14,514,400 00	18,401,400 00	3,887,000 00	.....
Total.....	402,385,777 39	405,543,857 05	3,158,179 66	.....

## RECAPITULATION.

	\$	\$	\$	\$
Bearing coin interest.....	1,778,110,991 80	1,840,367,891 80	62,256,900 00	
Bearing cur'y interest.....	426,768,640 00	379,392,460 00		47,476 180 00
Matured debt.....	18,237,538 88	14,178,368 88		4,059,175 00
Bearing no interest.....	402,385,677 30	405,543,857 05	3,158,179 66	
Aggregate.....	2,635,502,848 02	2,639,832,573 68	13,979,734 66	
Coin & cur. in Treas.....	133,995,298 02	133,176,890 98	4,178,422 91	
Debt less coin and cur.....	2,491,504,450 00	2,501,305,751 75	9,701,301 75	

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

## COIN AND CURRENCY IN TREASURY.

	November 1.	December 1.	Increase.	Decrease.
Coin.....	\$111,540,817 35	\$100,690,645 69	\$10,849,871 66	
Currency.....	22,458,090 67	37,436,175 24	15,028,094 57	
Total coin & cur'y.....	133,998,898 02	138,176,820 93	4,178,422 91	

The annual interest payable on the debt, as existing November 1 and December 1, 1867, (exclusive of interest on the compound interest notes) compares as follows :

## ANNUAL INTEREST PAYABLE ON PUBLIC DEBT.

	Nov. 1.	Dec. 1	Increase.	D. crease.
Coin—5 per cents.....	\$2,942,367 50	\$10,376,642 70	\$284,375 00	
" 6 " '67 & '68.....	881,456 51	881,456 51		
" 6 " 1861.....	17,080,696 00	16,969,868 00		56,708 00
" 6 " ('6-90's).....	76,073,886 00	79,464,753 00	3,390,867 00	
" 6 " N. P. F.....	780,000 00	780,000 00		
Total coin interest.....	\$107,698,206 01	\$108,366,745 01	\$3,668,539 00	
Currency—6 per cents.....	\$1,063,530 00	\$1,116,060 00	\$33,540 00	
" 7.30 ".....	24,426,363 10	20,817,658 30		3,578,608 80
" 8 ".....	346,800 00	886,650 00	28,560 00	
Total currency interest.....	\$25,855,683 10	\$22,849,596 30		\$3,506,113 80
Aggregate interest.....	130,553,889 11	130,716,313 31	162,425 20	

The aggregate condition of the debt on the first of each month of the current year is shown in the following summary :

1867.	Paying coin interest.	Pay'g cur'y interest.	Matured debt.	Not bearing interest.	Total debt.
January.....	\$1,400,490,743	\$332,379,440	\$16,508,590	\$426,673,364	\$2,675,062,505
February.....	1,430,145,543	519,673,740	15,791,454	430,168,804	2,685,773,540
March.....	1,464,855,193	787,028,860	14,576,687	434,128,523	2,690,567,263
April.....	1,499,861,693	784,180,730	12,265,618	417,225,844	2,693,713,374
May.....	1,541,303,848	697,116,710	11,932,540	413,429,506	2,663,875,099
June.....	1,602,643,943	655,691,763	9,713,020	413,991,792	2,687,040,519
July.....	1,687,890,644	626,503,906	8,997,596	419,507,072	2,692,399,215
August.....	1,678,906,692	674,964,535	15,636,816	417,177,533	2,696,685,896
September.....	1,715,687,743	495,971,626	19,440,578	410,019,717	2,641,111,664
October.....	1,745,196,143	461,074,650	18,231,367	405,897,377	2,630,399,456
November.....	1,778,110,992	426,768,640	18,237,539	402,385,677	2,635,502,847
December.....	1,840,367,893	379,392,460	14,178,364	405,543,857	2,639,832,573

The following summary presents an exhibit of the total debt, the amount of coin and currency in the Treasury, and the debt less cash in hand at the dates respectively :

1867.	Total debt.	Coin.	Currency.	Total.	Debt less Cash.
January.....	\$2,675,062,505	\$17,841,963	\$33,865,765	\$181,787,333	\$2,543,325,172
February.....	2,685,773,540	97,354,604	45,069,817	142,423,791	2,543,349,749
March.....	2,690,567,263	107,271,031	51,263,368	159,233,299	2,530,763,860
April.....	2,693,713,374	105,956,477	31,328,927	140,285,304	2,552,428,070
May.....	2,668,875,099	114,250,444	33,828,558	148,099,002	2,520,786,096
June.....	2,687,040,519	98,758,417	73,666,165	181,424,583	2,515,615,337
July.....	2,692,199,215	106,419,633	71,979,664	180,399,308	2,511,800,013
August.....	2,696,685,896	102,905,174	73,474,396	175,379,470	2,521,306,426
September.....	2,641,119,460	101,363,030	67,073,074	148,336,098	2,492,783,362
October.....	2,630,399. 56	103,398,681	31,813,349	135,112,009	2,495,277,447
November.....	2,635,502,848	111,540,817	22,458,081	123,998,396	2,491,504,450
December.....	2,639,832,573	100,690,646	37,436,175	138,176,821	2,501,305,752



## DEBT OF BROOKLYN CITY.

The funded debt as ascertained from the comptroller's books by a committee of the Joint Board of Aldermen and Supervisors, is reported to have amounted on the 2d July, 1867, to \$12,361,919 92, at which date the Sinking Fund and other means on hand applicable for the discharge of this indebtedness amounted to \$1,213,040 61, which being deducted leaves the net indebtedness at \$11,147,869 31. With little exception this debt has been made on account of the city waterworks, the Lew park and other important improvements all tending to add to the taxable value of property within the city limits. The following list describes the several issues and the amounts now outstanding :

DESCRIPTION.	Rate p.c.	When issued.	Date of Maturity.	Amount. out-standing.
City Hall Loan.....	6	1846	Jan. 1, '68-'70	\$30,000 00
Washington Park Loan.....	6	1848	" 1869	121,540 42
City Hall Loan.....	6	1849	" '73-'76	50,000 00
do. do.....	6	1850	" 1875	15,000 00
Water Loan.....	6	1853	" 1873	55,000 00
Debts of Williamsburgh Loan.....	6	1855	" 1875	150,000 00
Current Expenses Loan.....	6	1851	" 1871	150,000 00
Williamsburg City & Village B'ds.....	6	var.	var. '68-'70	10,379 50
Mount Prospect Square.....	6	1856	Jan. 1, 1887	90,000 00
Williamsburgh Streets Liabilities Loan.....	6	1857	" 1873	92,000 00
Williamsburg Local Improvement Loan.....	6	1859	" 1879	100,000 00
Deficiency Loan.....	7	1861	Nov. 1, 1868	5,000 00
Third Street Improvement Loan.....	6	1861	July 1, 1881	167,000 00
War Loan.....	6	1863	Jan. 1, 1868	115,000 00
Atlantic ave. Improvement Loan.....	6	1863	Dec. 31, 1871	73,000 00
Fourth ave. Improvment Loan.....	6	1861	July 1, '62-'65	280,000 00
Williamsburg Local Improvement Loan.....	6	1861	" 1881	38,000 00
National Guard & Volunteer Firemen Loan.....	7	1864	Jan. 1, 1881	27,000 00
Soldiers' Aid Fund Bonds.....	7	1865	" '85-'94	552,000 00
Public Park Loan.....	6	1864	" 1924	1,217,000 00
do. do.....	7	1866	" 1916	1,814,000 00
Brunswick avenue Loan.....	7	1865	July 1, '71-'90	222,000 00
South 5 venth street Loan.....	7	1866	" '71-'90	322,000 00
Atlantic avenue Extension Loan.....	7	1866	" 1869	2,000 00
National Guard Bonds Loan.....	6	1865	Jan. 1, 1873	32,000 00
Goethals Canal Improvement L'n.....	7	1866	" '68-'86	167,000 00
Water Loan.....	7	'56-'59	July 1, '81-'91	6,465,000 00
Total indebtedness of the city.....				\$12,361,919 92
Sinking Fund, &c.....				1,213,040 61
Actual indebtedness, July 2, 1867.....				\$11,147,869 31

The following table will more clearly define the nature of the aggregate debt :

Bonds issued for water works.....	\$6,465,000 00
" " Parks.....	3,242,540 42
" " City hall.....	150,000 00
" " Street improvements.....	1,325,000 00
	\$11,182,540 42
Bonds issued for current expenses.....	\$448,379 50
" " Bounties, &c.....	736,000 00—
	1,179,379 50
Total indebtedness as above.....	\$12,361,919 92

Of the above debt the sum of \$2,785,919 92 pays interest at the rate of 6 per cent., and \$9,576,000 00 at the rate of 7 per cent. It will, however, be seen that most of the principal and interest is only nominally payable by the city; the water debt is already, or soon will be, self-sustaining, and the debts for street improvements will be paid from local assessments. The real debts chargeable on the city are those for parks, the city hall, bounties and current expenses, in all \$4,571,919 92. This shows that Brooklyn, with its 300,000 inhabitants, has little reason to complain of heavy burdens. We have under preparation a full analysis of the finances of the city for several years, which will appear in the *MAGAZINE* at an early day.

## OUR LATE MINING ENTERPRISES.

In 1864 Wall street was in a furor of excitement respecting mining enterprises. Colorado, Nevada and Idaho were declared to be underlaid with gold and silver; and the Lake Superior region was heralded as surpassingly rich, not only in iron and copper ores, but even in silver also. Capitalists made pilgrimages to these far off El Dorados, and returned with the most glowing accounts of rich lodes, and of untold wealth within the easy reach of organized enterprise. These representations received a certain degree of countenance from the operations of a few mines in the localities, which certainly then appeared to be realising a handsome product. Large tracts of "gold lands" were bought up by Eastern speculators; and companies were organized, to which these lands were sold at fabulous prices. The nominal capital of the mining companies formed during twelve months of this excitement amounted to some hundreds of millions. The shares were put afloat at a slight per centage upon the par value, and were eagerly taken up by the credulous public, upon the supposition that when the mines were "worked" their stock would rapidly rise in value.

We call attention to these reminiscences merely to ask what has become of these mining enterprises? The silence as to their operations is ominous. For a long time, we were told that the companies were waiting to satisfy themselves as to the best appliances for separating the ores, a variety of new processes being then introduced. This excuse for inactivity has lost its force by the sheer lapse of time. The Colorado Companies now tell us that they are waiting for the opening of the Pacific railroad to their vicinity, as affording cheaper transportation and lowering the costs of labor. How much this excuse will prove to be worth remains to be seen. The fact, however, remains that of the companies formed during the excitement of three or four years ago, not one in twenty is actually operating its property; and perhaps not more than that proportion has really the capital requisite for working purposes. As to the stocks, they are, with a few exceptions, utterly worthless. For a time, few of the companies were represented in the New York Mining Board, and their stocks served well the functions of speculative foot balls; but now the Mining Board is forsaken, the brokers are seeking new employments and the stocks are scarcely heard of. We have no doubt that there are exceptional cases in which these companies have properties of value, and which, if well worked, would pay a reasonable profit. But as to a large majority of them, they are practically swindles, and were established in the first instance more for the purpose of securing a market for lands bought by unprincipled speculators than as forming the basis of a profitable enterprise. There can be little doubt that there is a large amount of gold in Colorado, and of silver in Nevada and of copper in Michigan; but these ores can never be raised profitably except by an ampler capital and a riper experience than have been associated with the lately formed companies. Perhaps some day ere long, capital and experience, well allied, may take up the debris of some of the best of these wrecks, and thereupon found a permanent and profitable interest.

**AMERICAN FOOTHOLDS IN CHINA.**

We have repeatedly urged the importance to American interests in China of obtaining concessions of territory sufficient for commercial purposes and for the convenience of our steam marine and war ships. Other nations have secured such concessions, and derive great advantages therefrom, and this fact might with much force be urged as a reason why the United States alone should not be compelled to rely upon mere leases for the facilities her commerce demands. This subject will be one of the points urged when the revision of the treaties with China comes up in 1863, and there are some intimations that it has already had the attention of our Government. The statement is explicitly made by Eastern journals that the Government is now negotiating for the purchase or cession of Woosung, which is said to be a flat neck of land at the junction of the Whangpo and Yang-tze-Kiang rivers, presumably not far from Shanghai. The American commercial and naval station in China could not be better located than near the mouth of the Yang-tze-Kiang, which is the Amazon of China, and the artery of its greatest commerce, flowing past numerous large cities, through a fertile and populous valley, and already traversed by a fine American fleet of steamers, which connect with a line of ocean steamers sailing from Shanghai and Hong Kong to Japan and California. It is one of the plainest dictates of commercial interest that we should have near the outlet of the Yang-tze-Kiang a piece of land we can call our own, on which American citizens can establish agencies under the protection of their own police, and where they can build and live free from the restrictions that now embarrass them. England obtained such concessions by force. The United States, which have no schemes of foreign conquest, and enjoy the friendship and confidence of the Chinese in an eminent degree, could reasonably ask them on the score of justice and comity.—*San Francisco Bulletin.*

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**TAXABLE PROPERTY IN SAN FRANCISCO.**

The annual tax-roll for this year aggregates the value of taxable real estate in San Francisco, city and county, at \$57,880,468; of personal property, \$28,556,806—total so far, \$86,437,274. The figures for 1865-'66 were: Real estate, \$49,137,812; personal property, \$39,129,145—total, \$88,266,457. This shows an apparent falling off of \$1,823,823, but there is a supplemental assessment roll of personal property yet to be handed in by the Assessor. This will contain, principally, a list of mortgages, and the gross amount of the enumeration will very nearly equal \$17,000,000. This sum added to the personal property already listed gives a total under that head of \$45,556,806, being an increase in the amount of personal property for 1865-'66 of \$6,427,661, while in real estate the increased valuation over that of last year is \$8,743,156. Assuming that the amount of the supplemental roll is not over estimated—and the figures are given on the authority of a gentleman intimately connected with the municipal finances—there will be an aggregate increase in the valuation of real and personal property and improvements for 1866-'67 of \$15,170,817.

## COMMERCIAL CHRONICLE AND REVIEW.

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**Decline in Prices—Monetary Affairs—Rates of Loans and Discounts—Volume of Shares at the Stock Boards—Bonds sold at New York Stock Exchange Board—Course of Consols and American Securities at London—Prices of Government Securities at New York—Prices of Compound Interest Notes at New York—Closing quotations at Regular Board—Receipts and Shipments of Coin and Bullion at New York—Movement of Coin and Bullion at New York—Course Gold at New York—Course of Foreign Exchange at New York.**

The general trade of the city showed a partial improvement during November. The previous general decline in prices and the protracted abstinence from buying, induced a moderate assorting demand for goods from all parts of the country, and especially from the West; merchants, therefore, have been enabled to sell down their Fall stocks to a conservative limit, although, as a rule, at unsatisfactory prices. The result of the season's wholesale trade, in nearly every class of merchandise, has been discouraging. Heavy losses have been incurred through the fall in values; and though not to an extent to cause general embarrassment, yet resulting in much caution in credits and a disposition to curtail operations. The importing interest has sustained its full share of injury. The importations have been much below those for the Fall season of last year, yet they have proved to be in excess of the wants of the people, and consequently a large amount of goods has had to be sold at a heavy discount from cost. The losses among the importers of groceries have been especially severe, and several firms of long standing have failed.

Monetary affairs have continued in an unsettled condition, although steadier than in October. The funds taken West, earlier in the season, for moving the grain crops, have been partially returned; but most of the currency thus received from Chicago has been sent to Cincinnati for the purchase of the hog crop, or to the South in payment for cotton. The cotton movement, however, has been much more moderate than was expected. The receipts at the ports have been, until lately, below those for the corresponding period of last year, notwithstanding that the crop is larger, a fact due, perhaps, principally to sickness in the extreme Southern States but in part, also, to the declining tendency of the Liverpool market and to the expectation that Congress would promptly repeal the cotton tax. Owing to this light movement and to the low price of the staple the amount of funds required for moving the crop has been much less than was expected. Demand loans have been comparatively easy, with the exception of a few days of artificial stringency; but the full legal rates has generally prevailed. The discount market has continued very active and stringent. It appears to have been one of the effects of currency contraction to induce a freer use of mercantile credits; and the banks, not having anticipated the change, have been only partially able to meet the demand for discounts, while private discounters, alarmed at the losses of merchants and the frequency of failures, have been little disposed to buy paper. Under these circumstances, really prime notes have not been negotiable, outside the banks, at better than  $7\frac{1}{2}$ @10 per cent.

Business in Wall-street has been dull, and very unsatisfactory to brokers. The public have little surplus for investment in securities or for employment in speculative ventures, but are rather sellers of stocks and bonds; and this absence of commission orders has driven the dealers into speculations on their own account, a condition of the stock market always unsatisfactory. The total transactions at both the regular and public boards for the month, amount to 1,359,168 shares, against 2,339,043 shares for the same month of 1866. Prices have been generally sustained by the operations of strong combinations upon a few leading stocks, without which support values must have fallen heavily.

The following are the rates of loans and discounts for the month of October :

RATES OF LOANS AND DISCOUNTS.									
	Nov. 1.	Nov. 8.	Nov. 15.	Nov. 22.	Nov. 30.				
Call loans .....	6 @ 7	6 @ 7	6 @ 7	7 @ —	7 @ —				
Loans on Bonds and Mortgage...	— @ 7	— @ 7	— @ 7	— @ 7	— @ 7				
A 1, endorsed bills, 2 mos.....	7 @ 9	7 @ 9	7 @ 8	8 @ —	7 1/4 @ 8				
Good endorsed bills, 3 & 4 mos..	9 @ 12	9 @ 12	8 @ 12	8 @ 12	8 @ 12				
“ “ single names..	11 @ 12	11 @ 12	11 @ 12	11 @ 12	11 @ 12				
Lower grades .....	15 @ 25	15 @ 25	15 @ 25	15 @ 25	15 @ 25				

The following table shows the volume of shares sold at the New York Stock Exchange Board and the Open Board of Brokers in the three first quarters, and in November, and the total since January 1 :

VOLUME OF SHARES SOLD AT THE STOCK BOARDS.						Since
Classes.	1st Quarter.	2d Q'rter.	3d Q'rter.	November.		Jan. 1.
Bank shares .....	7,815	11,153	9,070	8,221		83,145
Railroad .....	5,079,773	4,910,858	4,365,798	1,002,516		16,795,017
Coal .....	67,800	25,405	40,568	3,808		141,659
Mining .....	123,857	91,188	92,694	13,900		341,039
Improv't .....	81,269	108,436	63,649	17,120		283,673
Telegraph .....	117,973	155,118	254,493	79,514		764,534
Steamship .....	233,683	215,873	132,450	117,719		742,063
Expr's &c .....	17,674	104,450	117,379	121,672		408,586
At N. Y. Stock Ex. B'd.....	2,073,406	2,074,351	2,013,966	626,148		7,566,884
At Open Board .....	3,652,443	3,540,659	2,990,930	723,020		11,943,491
Total 1887.....	5,724,849	5,615,010	5,010,896	1,359,168		19,510,315
Total 1886.....	6,172,067	5,842,110	4,353,901	2,330,043		21,586,296

The amount of Government bonds and notes, State and city bonds, and company bonds, sold at the New York Stock Exchange Board in the three first quarters and in November, and the total since January 1, is shown in the statement which follows :

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.						Since
Classes.	1st quarter.	2d quarter.	3d Quarter.	November.		Jan. 1.
U. S. bonds.....	\$13,703,650	\$40,388,350	\$43,384,050	\$10,396,500		\$130,431,050
U. S. notes.....	4,792,480	3,317,600	10,321,550	1,203,150		22,706,680
St's & city b'ds.....	3,854,100	7,601,650	7,954,900	3,454,500		31,776,160
Company b'ds.....	2,216,300	2,967,700	2,184,000	827,500		8,481,600
Total 1887.....	\$24,566,430	\$53,705,300	\$63,743,900	\$15,881,650		\$143,391,280
Total 1886.....	31,600,500	36,414,350	44,050,100	15,397,100		146,414,600

The closing prices of Consols and certain American securities (viz. U. S. 6's, 5-20's 1862, Illinois Central and Erie Railway shares, and Atlantic and Great Western consolidated bonds) at London, on each day of the month of November, are shown in the following statement :

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON - NOVEMBER, 1887.									
Date.	Cons for mon.	American securities.	U. S. 5-20's sh's.	Ill. C. sh's.	Erie sh's.	A. & G. W.	Date.	Cons for mon.	American securities.
Friday.....	1 94 3/4	70	80 3/4	47 1/2	20 3/4	.....	Thurs.....	31 94 3/4	70 3/4 85 1/4 46 3/4
Sat'day.....	2 94 3/4	70 3/4	81	47	.....	.....	Friday.....	22 94 3/4	70 3/4 85 1/4 46 3/4
Sunday.....	3 94 3/4	70 3/4	81	46 3/4	.....	.....	Sat'day.....	23 94 3/4	70 3/4 85 1/4 47
Monday.....	4 94 3/4	69 3/4	81	46 3/4	.....	.....	Sunday.....	24 94 3/4	70 3/4 85 1/4 47
Tues.....	5 94 3/4	70 3/4	81 3/4	46 3/4	.....	.....	Monday.....	25 94 3/4	70 3/4 85 1/4 46 3/4
Wedne.....	6 94 3/4	70 3/4	81 3/4	47	.....	.....	Tuesd'y.....	26 94 3/4	70 3/4 85 1/4 47
Thurs.....	7 94 3/4	70 3/4	81 3/4	46 3/4	.....	.....	Wedn'y.....	27 94 3/4	70 3/4 85 1/4 47
Friday.....	8 94 3/4	70 3/4	82 3/4	46 3/4	.....	.....	Thurs.....	28 94 3/4	70 3/4 85 1/4 47
Sat'day.....	9 94 3/4	70 3/4	82 3/4	46 3/4	.....	.....	Friday.....	29 94 3/4	71 57 1/2 47 3/4
Sunday.....	10 94 3/4	70 3/4	82 3/4	46 3/4	.....	.....	Sat'day.....	30 94 3/4	71 57 1/2 47 3/4
Monday.....	11 94 3/4	70 3/4	82 3/4	46 3/4	.....	.....			
Tues.....	12 94 3/4	70 3/4	84 3/4	47	.....	.....			
Wedne.....	13 94 3/4	70 3/4	84 3/4	47	.....	.....			
Thurs.....	14 94 3/4	70 3/4	84 3/4	46 3/4	.....	.....	Highest.....	95	71 87 1/2 48 3/4 20 3/4
Friday.....	15 94 3/4	70 3/4	84 3/4	47 1/4	.....	.....	Lowest.....	94 3/4	69 3/4 80 3/4 46 3/4 19 3/4
Sat'day.....	16 94 3/4	70 3/4	86 3/4	48	.....	.....	Range.....	0 3/4	1 3/4 7 1/2 1 3/4
Sunday.....	17 94 3/4	70 3/4	86 3/4	48	.....	.....			
Monday.....	18 94 3/4	70 3/4	84 3/4	48 3/4	19 3/4	.....	Low.....	90	67 3/4 72 3/4 35 3/4 19 3/4
Tues.....	19 94 3/4	71	84 3/4	47 3/4	.....	.....	Hig Since Jan. 1.....	98	75 3/4 87 3/4 48 3/4 20 3/4
Wedne.....	20 94 3/4	70 3/4	83	47 3/4	.....	.....	Rng.....	6	7 3/4 15 3/4 12 3/4 6 3/4



	Nov. 1.	Nov. 8.	Nov. 15.	Nov. 22.	Nov. 29.	Dec. 6.	De. 13.
Cumberland Coal .....	24½	24½	24½	24½	27½	27½	27
Quicksilver .....	18½	18½	18½	18½	18	16½	21
Canton Co. ....	48½	48½	48½	48½	46½	44½	....
Mariposa pref. ....	....	....	....	....	....	....	15
New York Central.....	112½	112½	112½	112½	112½	114½	116½
Erie .....	72	72½	73½	71½	71½	71½	73½
Hudson River .....	125½	125	126½	128½	126½	125½	128½
Reading .....	97	96½	98	98½	95½	95½	96
Michigan Southern .....	78½	79	81½	80	80	80½	82
Michigan Central .....	....	109	....	....	....	110	....
Cleveland and Pittsburg.....	....	81½	84½	....	88½	82	84
Cleveland and Toledo.....	104½	102½	103½	....	102½	102½	103½
Northwestern .....	47½	48	53	57½	58	63½	58½
" preferred.....	65½	63½	65½	64½	67½	66½	67
Rock Island .....	96	96½	96½	96	96	95½	97½
Fort Wayne .....	98½	98½	98½	97½	97½	97½	98½
Illinois Central .....	125½	126½	130	....	131	135	....
Ohio and Mississippi .....	....	....	....	....	....	....	26

The receipts and shipments of coin and bullion at New York in the three first quarters, and in the month November, with the total since January 1, have been as shown in the following statement :

#### RECEIPTS AND SHIPMENTS OF COIN AND BULLION AT NEW YORK.

	First quarter.	Second quarter.	Third quarter.	Month of November.	Since Jan. 1.
Rec'pts f'm California.....	\$4,109,861	\$6,899,555	\$9,240,879	\$513,955	\$25,103,234
Imp'ts f'm for'gn ports.....	409,077	1,147,619	942,519	181,319	3,043,533
Total receipts .....	\$4,518,938	\$8,047,174	\$10,183,398	\$695,274	\$28,146,557
Exp'ts to foreign ports.....	6,566,958	18,028,709	17,436,446	1,733,261	44,947,405
Excess of exports.....	\$48,020	\$9,981,535	\$7,253,048	\$1,038,087	\$16,800,848
Excess of receipts.....	....	....	....	....	....

The following statement shows the receipts and exports in November and since January 1, for seven years :

	California Receipts—		Foreign Imports—		Foreign Exports—	
	Nov.	Since Jan. 1.	Nov.	Since Jan. 1.	Nov.	Since Jan. 1.
1867 .....	\$513,855	\$25,103,234	\$181,319	\$3,043,533	\$1,733,261	\$44,947,405
1868 .....	1,669,391	37,106,703	802,937	9,235,936	3,704,690	59,266,430
1869 .....	1,352,675	18,185,503	226,536	1,996,337	2,046,180	27,351,533
1864 .....	852,276	10,702,124	161,727	2,150,646	7,267,602	43,721,444
1865 .....	713,021	11,949,693	103,144	1,409,315	5,435,963	44,455,113
1866 .....	2,981,211	23,044,160	109,708	1,211,961	6,212,251	55,763,909
1861 .....	2,584,942	31,801,560	908,525	30,734,563	45,365	3,342,357

The following formula furnishes the details of the general movement of coin and bullion at the port for the past three quarters and the month of November, and since January 1 :

#### GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1st quarter.	2d quarter.	3d quarter.	Nov.	Since Jan. 1.
Rec's from California.....	\$4,109,861	\$6,899,555	\$9,240,879	\$513,955	\$25,103,234
Imp's f'm for'n ports .....	409,077	1,147,619	942,519	181,319	3,043,533
Coin Int'st p'd by U.S. ....	10,838,303	17,793,025	19,644,897	16,969,514	65,422,596
Total repo'd sup'y.....	\$17,357,241	\$25,340,199	\$29,827,595	\$17,663,688	\$93,579,115
Exp. to for'n ports.....	\$6,566,958	\$18,028,709	\$17,436,446	\$1,733,261	\$44,947,405
Customs duties.....	33,170,628	27,185,586	34,665,966	7,304,934	111,410,402
Total withdrawn.....	\$39,737,586	\$45,214,595	\$53,102,414	\$2,038,095	\$156,357,807
Excess of rep'd sup'y.....	\$	\$	\$	\$8,634,593	\$
Excess of withdraw's.....	22,380,345	19,374,396	22,274,819	....	62,773,990
Bank specie increas'd.....	....	....	1,737,167	10,411,736	3,387,668
Bank specie decreas'd.....	4,662,613	753,613	....	250,562	....

Deficit in reported supply, made up from unreported sources..... \$17,717,732 \$18,620,783 \$24,001,936 \$1,625,969 \$66,165,953

The course of the gold premium has been steadily downward ; the price having opened at 141½ and closed at 138, with a strong declining tendency. The market appears to have been subject to a strong reaction from the upward excitement caused by the threatening aspect of European politics and the relations

between Congress and the Executive. At the same time, about \$25,000,000 of coin interest became payable on the 1st ult. by the Treasury; while on the first of January nearly \$30,000,000 of gold becomes due to the public creditors. The assembling of Congress has dissipated much of the apprehension that measures of inflation would be adopted, and has encouraged the expectation of a generally conservative course of legislation upon financial questions. These appear to have been the principal influences tending to lower the premium. The receipts of treasure from California have been unusually light, being only \$513,000 against \$1,669,000 for the same month of last year. This may be due partially to shipments of treasure having been made to the East from San Francisco on New York account since the opening of steam communication with Hong Kong, but it is probably principally attributable to the shipments of California wheat and flour to New York having contributed so largely to liquidate the indebtedness of California to this city. The statement which follows shows the daily fluctuations in the price of American gold coin at the Gold Room during the month of November:

## COURSE OF GOLD AT NEW YORK—NOVEMBER, 1867.

Date.	Open'g	Lowest	High st.	Closing	Date.	Open'g	Lowest	High st.	Closing
Friday.....	1 140%	140%	140%	140%	Thursday.....	31 139%	139%	139%	139%
Saturday.....	2 141%	140%	141%	140%	Friday.....	32 138%	138%	139%	138%
Sunday.....	3 140%	139%	140%	140%	Saturday.....	24 139%	139%	140%	140
Monday.....	4 140%	139%	141%	140%	Sunday.....	25 140%	139%	140%	140
Tuesday.....	5 140%	139%	140%	139%	Monday.....	26 139%	139%	140%	139%
Wednesday.....	6 138%	138%	139%	139%	Tuesday.....	27 139%	139%	139%	139%
Thursday.....	7 138%	138%	139%	138%	Wednesday.....	28 139%	139%	139%	139%
Friday.....	8 138%	138%	139%	138%	Thursday.....	29 (Tha nkesg iving.)			
Saturday.....	9 139%	138%	139%	138%	Friday.....	30 139%	138%	139%	139
Sunday.....	10 139%	138%	139%	138%	Saturday.....	31 138%	137%	138%	138
Monday.....	11 138%	138%	139	138%	Oct. 1867.....	140%	137%	141%	138
Tuesday.....	12 139%	139	139%	139	" 1866.....	146%	138%	148%	141%
Wednesday.....	13 139%	139%	140%	140	" 1865.....	143%	142%	143%	143%
Thursday.....	14 140%	139%	140%	140%	" 1864.....	238%	210	260	230
Friday.....	15 141%	140%	141%	140%	" 1863.....	146	143	154	143%
Saturday.....	16 140%	139%	140%	139%	" 1862.....	129%	129	133%	129
Sunday.....	17 140%	139%	140%	139%	" 1861.....	100	100	100	100
Monday.....	18 139%	139%	140%	139%	S'ce Jan. 1, 1867 .....	132%	132%	146%	138
Tuesday.....	19 139%	139%	139%	139%					
Wednesday.....	20 139%	139%	140	139%					

The amount of specie in the banks at the opening and close of the above quarters, months, &c. was as follows:

At Opening.....	\$13,185,922	\$8,522,609	\$7,768,996	\$6,161,164	\$13,185,922
At close.....	8,522,609	7,768,996	9,496,163	16,411,726	16,574,590
Increase at close.....	\$	\$	\$1,727,167	\$10,250,562	\$3,387,668
Decrease at close.....	4,663,313	753,613			

As usual at this period of the year the transactions in foreign exchange have been very moderate. There has been a marked deficiency in the supply of cotton acceptances, and bills of that class have been very difficult of negotiation. The liberal shipments of breadstuffs and provisions have, however, kept the market supplied with bills fully up to the demand, and rates closed a little below the opening figures. The following table shows the course of Foreign Exchange, daily, for the month of November:

## COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK—NOVEMBER.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....	109% @ 109%	516% @ 515%	40% @ 41	78% @ 78%	35% @ 36	71% @ 72
2.....	109% @ 109%	516% @ 515%	40% @ 41	78% @ 78%	35% @ 36	71% @ 72
3.....						
4.....	109% @ 109%	515 @ 513%	41 @ 41%	78% @ 79	36 @ 36%	72 @ 72%
5.....	109% @ 109%	515 @ 513%	41 @ 41%	78% @ 79	36 @ 36%	72 @ 72%
6.....	109% @ 110%	515 @ 513%	41 @ 41%	78% @ 79	36 @ 36%	72 @ 72%
7.....	109% @ 109%	517% @ 516%	41 @ 41%	78% @ 79	36 @ 36%	72 @ 72%
8.....	109% @ 109%	517% @ 516%	40% @ 41	78% @ 78%	25% @ 36	71% @ 72
9.....	109% @ 109%	517% @ 516%	40% @ 41	78% @ 78%	35% @ 36	71% @ 72



Days.	London.	Paris.	Amsterdam.	Bremen.	Hamburg.	Berth.
10.....						
11.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
12.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
13.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
14.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
15.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
16.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
17.....						
18.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
19.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
20.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
21.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
22.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
23.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
24.....						
25.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
26.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
27.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
28.....						
29.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
30.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Thanksgiving.						
Nov.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Oct.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Sep.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Aug.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
July.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Jun.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
May.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Apr.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Mar.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Feb.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Jan.....	109 @109½	517½ @516¼	40¼ @41	78¼ @78¾	85¼ @86	71¼ @72
Since Jan 1....	108 @110½	525 @510	40¼ @41½	78 @80	85¼ @86½	71¼ @72½

## JOURNAL OF BANKING, CURRENCY, AND FINANCE.

## Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5.....	\$257,852,460	12,794,892	\$2,762,779	902,533,554	65,036,121	\$26,987,757
January 12.....	258,935,488	14,612,477	\$2,625,108	902,517,688	62,948,370	26,182,006
January 19.....	255,022,228	15,365,307	\$2,854,928	901,600,115	62,225,268	590,040,026
January 26.....	251,674,801	16,814,097	\$2,957,198	901,952,076	62,432,869	598,822,964
February 2.....	251,294,265	16,332,98	\$2,905,347	900,511,596	62,944,541	512,447,252
February 9.....	259,268,825	16,157,257	\$2,777,00	908,241,825	67,628,992	508,885,632
February 16.....	253,121,328	14,79,626	\$2,956,309	906,072,292	64,442,940	425,833,220
February 23.....	257,823,994	15,513,456	\$3,004,141	906,490,347	62,153,895	443,574,086
March 2.....	26,56,430	11,879,881	\$2,994,433	908,012,914	67,014,195	467,534,519
March 9.....	262,114,568	10,863,128	\$2,409,811	900,23,527	64,522,449	544,173,266
March 16.....	263,029,773	9,968,722	\$2,409,683	907,958,004	62,813,029	494,558,19
March 23.....	259,400,315	9,43,913	\$2,519,401	907,375,615	60,904,968	472,02,878
March 30.....	25,82,364	8,52,69	\$2,869,195	908,481,250	62,480,811	459,860,082
April 6.....	254,470,087	8,133,813	\$2,774,578	908,861,299	59,021,775	531,885,184
April 13.....	250,102,178	8,856,229	\$2,702,047	902,861,236	60,292,515	523,822,483
April 20.....	247,561,721	7,622,535	\$2,648,571	904,090,856	64,096,916	447,814,375
April 27.....	247,737,881	7,404,304	\$2,601,285	907,874,341	67,930,351	446,484,222
May 4.....	250,771,558	9,902,177	\$2,571,747	905,721,079	70,587,907	559,860,118
May 11.....	253,682,839	14,95,590	\$2,595,869	900,242,832	67,996,639	524,319,769
May 18.....	257,961,874	15,567,252	\$2,63,301	901,436,854	63,228,501	503,673,796
May 25.....	256,091,805	14,083,667	\$2,697,252	903,672,345	60,542,440	431,732,629
June 1.....	252,791,514	14,617,070	\$2,747,089	900,386,143	58,459,827	442,675,585
June 8.....	250,177,293	15,699,038	\$2,719,088	904,780,335	55,923,17	461,734,216
June 15.....	246,228,465	12,856,239	\$2,717,199	900,317,765	57,994,294	460,968,602
June 22.....	213,640,477	9,898,585	\$2,632,171	909,477,170	62,818,192	442,440,904
June 29.....	242,547,954	7,765,996	\$2,642,560	906,212,357	70,174,758	493,444,266
July 6.....	246,361,237	10,853,171	\$2,669,397	901,524,219	71,104,472	494,081,990
July 13.....	252,913,009	12,715,404	\$2,653,869	907,872,063	72,495,708	521,850,463
July 20.....	249,530,255	11,197,700	\$2,574,945	909,435,952	72,441,301	491,890,922
July 27.....	251,243,830	8,73,894	\$2,508,650	900,608,866	74,805,840	481,097,226
August 3.....	254,940,016	6,461,949	\$2,59,117	901,153,754	75,098,762	468,021,746
August 10.....	263,427,400	5,311,997	\$2,567,276	909,408,705	78,047,431	499,688,085
August 17.....	253,232,411	5,920,557	\$2,669,757	904,046,591	69,472,793	414,369,517

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
August 24.....	250,697,979	6,088,585	23,726,249	188,744,161	64,960,630	431,496,637
August 31.....	247,877,623	7,371,595	23,715,128	190,892,315	67,932,971	385,591,548
September 7.....	250,234,560	7,967,619	23,708,172	195,123,114	69,657,445	441,707,385
September 14.....	254,160,597	8,184,946	24,015,326	193,086,775	85,176,908	514,088,743
September 21.....	254,794,687	8,617,498	24,056,442	185,603,939	87,709,385	592,142,860
September 28.....	251,918,751	9,496,163	24,147,369	181,439,410	55,991,526	600,688,710
October 5.....	247,984,369	9,368,608	24,025,521	178,447,422	56,853,585	570,187,624
October 12.....	247,833,153	9,608,771	26,006,541	177,128,634	56,114,922	585,512,270
October 19.....	247,553,911	7,319,910	24,007,460	173,428,375	54,315,823	588,162,707
October 26.....	246,811,712	6,161,164	23,959,080	173,064,198	56,381,913	511,792,657
November 2.....	247,237,428	8,974,535	24,037,076	178,309,794	57,396,067	431,366,278
November 9.....	247,719,175	12,816,984	24,069,908	177,849,809	55,540,883	515,391,960
November 16.....	248,439,814	13,734,964	24,181,366	177,742,853	54,329,650	496,217,123
November 23.....	249,243,649	15,499,110	24,129,911	174,751,623	51,121,911	550,006,807
November 30.....	247,815,509	16,512,800	24,060,799	175,666,223	52,098,123	432,724,259

## PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5.....	\$20,209,064	52,312,217	908,623	10,388,890	41,808,327
January 12.....	20,006,265	52,526,491	966,929	10,386,677	41,622,421
January 19.....	19,448,090	53,451,207	877,545	10,381,525	39,048,645
January 26.....	19,263,274	52,168,477	860,552	10,384,523	39,001,729
February 2.....	19,269,123	52,351,120	871,664	10,430,818	39,598,712
February 9.....	19,669,250	52,264,329	873,614	10,448,283	39,811,585
February 16.....	18,892,747	52,573,120	867,110	10,522,972	40,060,717
February 23.....	17,887,596	52,594,721	841,223	10,564,434	38,646,013
March 2.....	18,150,657	51,979,178	816,623	10,511,600	38,267,386
March 9.....	17,521,705	51,261,463	823,735	10,573,068	37,814,672
March 16.....	16,965,618	50,512,224	853,023	10,590,911	37,824,401
March 23.....	16,071,780	50,573,490	907,418	10,611,987	34,811,545
March 30.....	16,855,948	50,880,206	902,148	10,631,832	34,158,288
April 6.....	16,583,745	50,998,231	944,719	10,651,615	33,799,655
April 13.....	16,188,407	51,293,776	946,625	10,645,367	34,237,683
April 20.....	16,582,296	51,611,441	955,335	10,647,824	35,238,568
April 27.....	16,737,201	51,890,959	952,617	10,688,021	36,234,870
May 4.....	17,196,558	52,064,207	956,053	10,689,695	37,371,064
May 11.....	17,278,919	52,474,858	968,763	10,627,953	36,172,167
May 18.....	16,770,491	52,626,320	962,978	10,630,581	36,229,833
May 25.....	16,019,180	52,536,170	969,183	10,635,520	37,778,788
June 1.....	16,881,109	52,747,305	934,392	10,637,452	37,332,144
June 8.....	16,380,720	53,158,124	946,615	10,642,920	37,363,614
June 15.....	16,800,010	53,192,949	968,261	10,646,298	37,174,269
June 22.....	15,964,424	52,968,441	973,908	10,642,224	37,333,729
June 29.....	16,105,611	52,586,965	965,197	10,641,511	36,616,847
July 6.....	16,752,875	52,420,372	941,601	10,641,701	37,077,454
July 13.....	16,224,914	52,503,353	919,399	10,641,770	37,836,228
July 20.....	16,608,680	53,150,569	971,714	10,637,651	38,170,413
July 27.....	16,982,112	53,104,475	953,113	10,638,762	37,239,649
August 3.....	16,723,198	53,427,940	962,065	10,638,925	38,094,543
August 10.....	15,909,105	53,117,559	944,979	10,637,761	36,661,477
August 17.....	15,787,146	53,649,449	917,359	10,638,510	36,364,835
August 24.....	16,624,816	53,399,080	914,243	10,629,224	36,459,831
August 31.....	15,717,909	53,734,687	907,659	10,636,365	36,322,365
September 7.....	16,249,658	53,776,452	979,714	10,628,794	36,458,839
September 14.....	16,060,783	53,792,204	952,691	10,623,737	36,263,547
September 21.....	15,845,493	53,540,501	923,928	10,623,744	35,527,306
September 28.....	15,513,794	53,635,569	972,535	10,629,976	35,152,695
October 5.....	15,537,404	53,041,100	958,303	10,627,921	36,494,313
October 12.....	15,027,411	52,917,167	946,714	10,628,396	34,843,943
October 19.....	14,947,083	53,020,235	937,125	10,635,015	34,336,604
October 26.....	14,947,184	52,871,552	915,748	10,634,907	33,558,466
November 2.....	15,019,854	52,814,077	918,890	10,640,590	33,804,011
November 9.....	14,709,022	52,236,923	920,894	10,646,512	33,948,076
November 16.....	14,654,003	51,914,013	923,043	10,640,983	33,929,130
November 23.....	15,299,173	51,169,439	922,824	10,662,298	34,019,262
November 30.....	15,785,820	51,213,485	910,071	10,646,819	34,617,965

## BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.	
					National.	State.
January 7.....	\$97,009,342	1,183,451	17,033,837	40,824,618	24,880,367	312,664
January 14.....	91,411,773	1,334,300	16,829,105	40,246,216	24,997,446	311,749
January 21.....	95,398,932	1,078,160	16,591,491	38,679,694	24,275,162	301,911
January 28.....	97,891,339	1,058,329	16,816,259	39,219,341	24,716,597	302,398
February 4.....	97,742,461	956,599	16,394,604	38,708,953	24,991,075	306,014
February 11.....	97,264,162	873,396	11,102,479	39,474,359	24,686,663	303,603
February 18.....	96,949,413	929,940	15,398,823	38,900,610	24,765,420	306,601
February 25.....	96,331,900	779,492	15,741,046	37,593,963	24,963,608	303,228
March 4.....	95,060,737	953,897	15,918,108	36,310,573	24,975,767	301,410

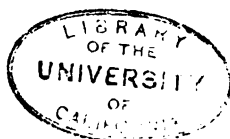
		Loans.		Specie.		Leg. Tenders.		Deposits.		Circulation.	
										National.	State.
March	11	92,078,975	696,447	15,719,479	36,712,052	24,244,631	189,598				
March	18	92,156,486	688,944	16,870,979	36,751,733	24,889,523	229,123				
March	5	92,661,080	516,184	16,897,905	36,751,725	24,783,722	229,091				
April	2	91,722,347	433,113	17,12,423	37,056,888	24,843,376	206,925				
April	8	91,673,549	456,751	16,890,418	37,258,775	24,851,522	226,011				
April	15	91,712,414	378,343	16,815,355	37,318,525	24,388,519	237,205				
April	22	92,472,815	343,713	16,549,598	38,207,548	24,852,200	226,701				
April	29	92,353,922	329,851	16,926,564	37,837,092	24,81,437	224,962				
May	6	92,671,149	5-9,878	16,571,736	38,721,769	24,784,332	253,806				
May	13	92,428,114	517,597	16,552,421	38,504,761	24,808,992	253,514				
May	20	92,632,587	507,806	16,499,319	37,874,852	24,838,469	253,491				
May	27	92,228,677	441,072	16,853,361	37,132,051	24,808,960	220,961				
June	3	92,694,925	571,526	17,173,901	37,0-6,894	24,720,794	279,375				
June	10	92,436,187	496,787	16,767,854	36,033,716	24,804,153	226,768				
June	17	92,726,423	511,095	15,719,795	36,039,933	24,771,778	271,048				
June	24	92,951,163	470,544	15,758,396	36,521,129	24,768,947	267,294				
July	1	92,996,703	617,456	16,055,141	37,475,377	24,727,3-8	266,263				
July	8	92,747,778	915,493	15,065,486	38,251,040	24,801,823	246,494				
July	15	92,846,468	833,466	15,397,873	38,640,431	24,771,683	244,922				
July	22	92,096,5-1	65-303	15,427,635	38,323,613	24,744,291	252,696				
July	29	92,594,214	361,878	15,543,401	38,548,722	24,633,742	256,552				
August	5	92,387,558	473,045	15,51,084	38,398,450	24,656,075	263,250				
August	12	92,098,873	412,217	15,196,701	38,283,576	24,670,852	266,673				
August	19	92,901,687	385,127	14,697,154	38,902,686	24,613,921	262,507				
August	26	92,945,437	396,576	15,175,422	38,790,624	24,707,726	261,963				
September	2	92,019,818	400,680	15,296,553	38,810,908	24,784,146	260,577				
September	9	92,736,719	510,544	14,674,569	38,968,160	24,788,987	252,740				
September	16	92,923,423	453,029	13,423,822	38,669,369	24,817,759	259,722				
September	23	92,022,167	467,016	12,864,108	38,195,755	24,801,384	2-9,122				
September	30	92,409,065	452,399	12,967,468	34,833,686	24,860,534	253,523				
October	7	92,177,169	417,073	13,046,359	35,294,822	24,855,565	249,399				
October	14	92,762,617	478,161	13,5-2,652	35,969,155	24,804,269	253,710				
October	21	92,385,48	444,811	13,603,3-1	36,536,809	24,717,584	252,770				
October	28	9-302,146	389,343	13,903,546	37,361,818	24,673,0-6	263,2-3				
November	4	92,138,405	5-9,122	14,227,4-8	37,379,191	24,598,409	236,761				
November	11	92,554,562	743,726	13,764,543	37,564,364	24,632,434	235,916				
November	18	92,997,345	755,607	13,897,920	37,824,908	24,712,735	232,4-4				
November	25	92,918,510	651,256	13,606,184	38,392,425	24,722,210	220,023				

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MERCANTILE.		INSURANCE.	
Lillie's Fire & Burglar-Proof Safes—198 B'way		Lockwood & Co.—24 Broadway.	
Lewis Andendried & Co.—110 Broadway—Anthracite and Bituminous Coal.		Barstow, Eddy & Co.—26 Broad St.	
A. B. Sands & Co.—139-141 William St.—Drugs		Gilmore, Dunlap & Co.—Cincinnati.	
Luryea's Malzena—166 Fulton street.		DeWitt, Kittle & Co.—88 Wall St.	
BANKERS & BROKERS.		Vermilye & Co.—44 Wall St.	
Duncan, Sherman & Co.—Cor. Pine & Nassau.		Eugene Kelly & Co.—36 Wall St.	
L. P. Morton & Co.—30 Broad Street.		Simon De Visser—52 Exchange Place.	
enth National Bank—336 Broadway.			
Ninth National Bank—363 Broadway.			



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